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FAIRCHILD'S FINANCIAL MANUAL OF RETAIL STORES 1980

53rd ANNUAL EDITION

BOOK DIVISION • FAIRCHILD PUBLICATIONS • NEW YORK

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Editor's Note: In order to present a clearer picture of a company's involvement in the Retail field, we have, in some cases, included only those divisions and subsidiaries related to Retail.

Robin Feldman
Chief Research Editor

Standard Book Number: 87005-362-0

Printed in the United States of America

1979 STATISTICS FOR 38 LEADING GENERAL MERCHANDISE CHAINS

	Sales (000's)		%	Net Income (000's)		%	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
Company	1979	1978	Chg.	1979	1978	Chg.	1979	1978	1979	1978	1979	1978	1979	1978
Alexander's*	$ 454,055	$ 432,618	+ 5.0	$ 4,136	$ 4,197	– 1.5	0.91	0.97	$ 8,521	$ 8,649	$ 66,813	$ 64,711	6.19	6.49
Allied Stores*‡	2,210,301	2,082,686	+ 6.1	90,135	82,339	+ 9.5	4.08	3.95	166,735	158,249	712,075	649,072	12.66	12.69
Assoc. Dry Goods*‡	1,783,212	1,605,607	+11.1	43,923	34,471	+ 27.4	2.46	2.15	79,143	62,773	515,049	491,299	8.53	7.02
Caldor	562,762	475,733	+18.3	19,748	15,471	+ 27.6	3.51	3.25	37,950	31,896	86,231	69,115	22.90	22.38
Carson Pirie Scott*‡	434,321	412,080	+ 5.4	12,608	12,206	+ 3.3	2.90	2.96	22,133	22,316	106,134	97,721	11.88	12.49
Carter Hawley Hale	2,408,028	2,116,586	+13.8	69,720	63,820	+ 9.2	2.90	3.02	119,020	117,020	584,442	531,162	11.93	12.02
City Stores*+(A)	328,152	303,847	+ 8.0	1,748	962	+ 81.7	0.53	0.32	1,748	962	49,999	48,251	3.50	1.99
Cook United‡(B)	422,813	416,477	+ 1.5	5,863	4,004	+ 46.4	1.39	0.96	7,204	7,147	78,323	73,372	7.49	5.46
Dayton Hudson*‡(C)	3,384,849	2,961,884	+14.3	192,089	264,905	– 27.5	5.67	8.94	240,675	198,900	962,611	808,365	19.95	32.77
Federated Dept.*‡	5,806,442	5,404,621	+ 7.4	203,228	197,896	+ 2.7	3.50	3.66	375,428	376,296	1,633,518	1,510,979	12.44	13.10
Gamble-Skogmo	2,053,003	1,954,644	+ 5.0	31,184	23,224	+ 34.3	1.52	1.19	22,080	21,886	247,398	218,129	12.60	10.65
Garfinckel, Brooks Bros.*‡(D)	420,398	390,916	+ 7.5	15,269	13,306	+ 14.8	3.63	3.40	25,182	27,048	105,851	97,951	14.42	13.58
Goldblatt Bros.*	306,592	304,617	+ 0.6	(6,620)	(1,726)	–	–	–	(10,490)	(3,751)	33,496	40,116	–	–
Hartfield-Zodys(E)	413,257	382,085	+ 8.2	11,581	15,137	– 23.5	2.80	3.96	14,913	16,278	53,609	43,409	21.60	34.87
K Mart	12,731,145	11,695,539	+ 8.9	357,999	343,706	+ 4.2	2.81	2.94	624,595	633,983	2,185,192	1,915,666	16.38	17.94
Kings Dept. Stores+	572,821	531,515	+ 7.8	15,494	15,067	+ 2.8	2.70	2.83	27,356	28,261	93,604	86,697	16.55	17.38
Kuhn's	298,168	328,127	– 9.1	1,738	(418)	–	0.58	–	2,938	(998)	29,078	27,369	5.98	–
Lane Bryant‡	381,247	365,552	+ 4.3	10,634	10,529	+ 1.0	2.79	2.88	19,857	20,057	98,630	92,955	10.78	11.33
Levitz Furniture	546,580	498,194	+ 9.7	20,574	16,293	+ 26.3	3.76	3.27	38,597	31,467	122,718	105,828	16.77	15.40
R.H. Macy*	2,058,048	1,834,100	+12.2	76,425	61,677	+ 23.9	3.71	3.36	152,298	125,202	503,034	447,493	15.19	13.78
Marshall Field	904,296	762,590	+18.6	18,940	20,793	– 8.9	2.09	2.73	35,470	38,527	274,030	267,810	6.91	7.76
May Dept. Stores‡(F)	2,956,519	2,716,636	+ 8.8	114,047	101,413	+ 12.5	3.86	3.73	218,497	206,104	814,560	733,691	14.00	13.82
Mercantile Stores	1,067,937	922,141	+15.8	42,749	40,118	+ 6.6	4.00	4.35	80,149	75,218	318,367	282,987	13.43	14.18
G.C. Murphy+	756,875	711,996	+ 6.3	9,854	202	+4778.2	1.30	0.03	18,804	2,000	126,042	120,960	7.82	0.17
Pamida	332,122	317,906	+ 4.5	3,053	528	+ 478.2	0.92	0.17	5,897	406	66,183	63,407	4.61	0.83
J.C. Penney	11,274,000	10,845,000	+ 4.0	244,000	276,000	– 11.6	2.16	2.54	383,000	465,000	2,520,000	2,357,000	9.68	11.71
Petrie Stores	446,589	435,872	+ 2.5	51,664	48,987	+ 5.5	11.57	11.24	97,741	98,431	204,168	180,457	25.30	27.15
Rapid-American*(G)	2,578,290	2,454,024	+ 5.1	34,603	44,433	– 22.1	1.34	1.81	63,333	78,427	195,858	222,407	17.67	19.98
Rose's Stores	497,747	500,055	– 0.5	8,770	7,412	+ 18.3	1.76	1.48	16,420	14,515	70,332	63,103	12.47	11.75
SCOA Ind.	880,199	780,333	+12.8	30,381	20,291	+ 49.7	3.45	2.60	55,390	39,366	102,438	78,571	29.66	25.83
Sears, Roebuck	17,514,252	17,946,336	– 2.4	810,082	921,523	– 12.1	4.63	5.13	1,028,982	1,264,023	7,467,177	7,091,607	10.85	12.99
Simpsons-Sears(H)	2,618,213	2,541,669	+ 3.0	67,932	57,668	+ 17.8	2.59	2.27	105,121	89,810	549,896	435,802	12.35	13.23
Strawbridge & Clothier*‡	367,227	335,643	+ 9.4	10,728	11,202	– 4.2	2.92	3.34	20,228	21,368	113,519	105,904	9.45	10.58
Vornado	705,790	675,226	+ 4.5	(750)	10,658	–	–	1.58	(1,410)	16,483	146,067	148,466	–	7.18
Woodward & Lothrop*	295,181	271,010	+ 8.9	10,010	12,194	– 17.9	3.39	4.50	18,895	21,027	95,525	89,529	10.48	13.62
F.W. Woolworth*(I)	6,785,000	6,103,000	+11.2	180,000	130,000	+ 38.5	2.65	2.13	227,000	228,000	1,301,000	1,177,000	13.84	11.05
Zayre Corp.	1,549,729	1,394,109	+11.2	17,133	14,017	+ 22.2	2.22	1.01	30,133	26,924	160,165	142,543	10.70	9.83
Zeller's(J)	735,189	649,149	+13.3	19,360	16,683	+ 16.0	2.63	2.57	32,500	28,982	106,538	91,568	18.17	18.22

NOTE: The criterion for inclusion in this list is that the sales of each chain must be at least $200,000,000. In some instances comparative figures for 1978 have been restated for various reasons.

( ) Designates a loss.
* Sales include leased departments.
+ 53 weeks in 1979; 52 weeks in 1978.
‡ 52 weeks in 1979; 53 weeks in 1978.
(A) Net income of City Stores includes extraordinary gains of $790,000 in 1979 and $443,000 in 1978.
(B) Sales of Cook United are of continuing operations only.
(C) Sales of Dayton Hudson are of continuing operations only.
(D) Sales of Garfinckel, Brooks Bros. are of continuing operations only.
(E) Net income of Hartfield-Zodys includes extraordinary gains of $4,326,000 in 1979 and $7,956,000 in 1978.
(F) Sales of May Dept. Stores are of continuing operations only.
(G) Sales of Rapid-American include an extraordinary gain of $7,191,000 in 1978.
(H) 1979 figures for Simpsons-Sears cover a 56 week period.
(I) Income of F.W. Woolworth includes equity in F.W. Woolworth & Co., Limited of England of $58,000,000 in 1979 and $25,000,000 in 1978.
(J) Net income of Zeller's includes extraordinary gains of $281,092 in 1980.

1979 STATISTICS FOR 37 LEADING FOOD CHAINS

Company	Sales (000's) 1979	Sales (000's) 1978	% Chg.	Net Income (000's) 1979	Net Income (000's) 1978	% Chg.	% Net Income to Sales 1979	% Net Income to Sales 1978	Pre-Tax Income (000's) 1979	Pre-Tax Income (000's) 1978	Shareholders' Equity (000's) 1979	Shareholders' Equity (000's) 1978	% Net Income to Shareholders' Equity 1979	% Net Income to Shareholders' Equity 1978
Albertson's‡	$2,673,848	$2,268,970	+ 17.8	$38,323	$36,421	+ 5.2	1.43	1.61	$71,635	$71,203	$178,488	$148,872	21.47	24.46
Allied Supermarkets	604,915	758,955	– 20.3	(31,398)	(9,204)	–	–	–	–	–	(27,867)	7,147	–	–
American Stores	3,786,332	1,089,090	+247.4	44,434	25,043	+ 77.4	1.17	2.30	73,904	47,803	332,247	137,714	13.37	18.18
Borman's (A)	905,376	783,939	+ 15.5	467	5,804	– 92.0	0.05	0.74	577	5.804	32,557	32,771	1 43	17.71
Cook United ‡ (B)	422,813	416,477	+ 1.5	5,863	4,004	+ 46.4	1.39	0.96	7,204	7,147	78,323	73,372	7,49	5.46
Cullum Cos.+	782,520	639,080	+ 22.4	9,406	6,614	+ 42.2	1.20	1.03	16,518	11,282	47,448	39,868	19.82	16.59
Dillon Cos.	1,792,217	1,465,277	+ 22.3	33,586	27,757	+ 21.0	1.87	1.89	58,417	50,046	152,622	133,192	22.01	20.84
Dominion Stores+	2,663,857	2,405,385	+ 10.7	27,281	24,077	+ 13.3	1.02	1.00	51,381	43,701	178,291	160,317	15.30	15.02
First National Supermarkets	1,364,797	1,111,691	+ 22.8	5,253	3,934	+ 35.5	0.38	0.35	5,019	4,169	37,505	36,294	14.01	10.84
Fisher Foods	1,336,293	1,451,676	– 7.9	(6.989)	9.829	–	–	0.68	(17,889)	15,988	79,048	89,798	–	10.95
Food Fair (C)	1,487,270	2,414,665	– 38.4	(211,079)	(92,223)	–	–	–	(146,538)	(43,487)	(162,763)	48,339	–	–
Fooderama	413,016	376,144	+ 9.8	780	2,153	– 63.8	0.19	0.57	109	2,967	21,499	21,460	3.63	10.03
Frd Meyer	1,060,203	927,110	+ 14.4	22,380	20,881	+ 7.2	2.11	2.25	40,569	34,399	156,764	134,135	14.28	15.57
George Weston (D)	5,867,102	5,237,808	+ 12.0	76,477	57,284	+ 33.5	1.30	1.09	129,375	109,434	478,814	398,759	15.97	14.37
Giant Food	1,242,620	1,080,842	+ 15.0	17,859	16,957	+ 5.3	1.44	1.57	31,090	30,430	108,082	96,348	16.52	17.60
Great A&P	6,684,179	7,469,659	– 10.5	(3,807)	(52,186)	–	–	–	858	(62,255)	394,091	397,895	–	–
Jewel Cos. ‡	3,764,266	3,516,352	+ 7.1	50,686	41,142	+ 23.2	1.35	1.17	59,387	54,863	377,635	344,828	13.42	11.93
Kroger Cos.	9,029,315	7,828,071	+ 15.3	85,721	84,596	+ 1.3	0.95	1.08	146,508	153,256	611,328	554,507	14.02	15.26
Loblaw Cos. (E)	4,725,263	4,246,552	+ 11.3	34,955	25,573	+ 36.7	0.74	0.60	49,887	43,970	246,793	194,618	14,16	13.14
Lucky Stores+	5,815,927	4,658,409	+ 24.8	98,094	80,400	+ 22.0	1.69	1.73	180,463	156,184	406,079	331,430	24.16	24.26
Marsh Supermarkets	447,436	391,963	+ 14.2	4,019	3,642	+ 10.4	0.90	0.93	5.465	5,400	26,902	23,891	14.94	15.24
Nesh Finch	869,436	760,451	+ 14.3	10,050	9,797	+ 2.6	1.16	1.29	16,325	18,986	68,685	62,743	14.63	15.61
National Tea (F)	1,045,696	918,635	+ 13.8	13,133	12,102	+ 8.5	1.26	1.32	–	–	75,665	62,532	17.36	19.35
Oshawa Group‡(G)	1,475,663	1,336,784	+ 10.4	10,105	10.283	– 1.7	0.68	0.77	12,769	12,504	101,107	94,614	9.99	10.87
Pacific Gamble Robinson	694,898	625,161	+ 11.2	6,465	6,620	– 2.3	0.93	1.06	12,383	12,635	53,510	49,886	12.08	13.27
Pueblo Int'l.	330,773	296,170	+ 11.7	4,033	3,975	+ 1.5	1.22	1.34	6,774	6,610	34,137	30,094	11.81	13.21
Safeway Stores	13,718,861	12,550,569	+ 9.3	143,323	146,118	– 1.9	1.04	1.16	224,779	276,718	1,012,614	936,374	14.15	15.60
Shopwell	346,486	271,568	+ 27.6	1,060	745	+ 42.3	0.31	0.27	1,968	1,506	17,741	18,252	5.97	4.08
Steinberg's	2,082,710	1,917,529	+ 8.6	27,191	25,730	+ 5.7	1.31	1.34	46,366	45,217	282,911	198,485	9.61	12.96
Stop & Shop‡	1,878,864	1,762,144	+ 6.6	14,948	16,021	– 6.7	0.80	0.91	22,956	27,677	127,798	117,267	11.70	13.66
Super Valu	3,475,193	3,033,008	+ 14.6	45,343	36,926	+ 22.8	1.30	1.22	82,916	68,955	188,520	153,573	24.05	24.04
Supermarkets General‡(H)	2,372,574	2,061,873	+ 15.1	23,460	20,637	+ 13.7	0.99	1.00	38,837	32,285	119,270	103,643	19.67	19.91

1979 STATISTICS FOR 37 LEADING FOOD CHAINS (Continued)

Company	Sales (000's)		%	Net Income (000's)		%	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
	1979	1978	Chg.	1979	1978	Chg.	1979	1978	1979	1978	1979	1978	1979	1978
Thriftmart	431,872	368,136	+ 17.3	7,213	4,488	+ 60.7	1.67	1.22	12,593	8.573	44,436	38,292	16.23	11.72
Waldbaum	1,103,443	941,479	+ 17.2	7,827	7,016	+ 11.6	0.71	0.75	13,777	13,746	65,473	57,727	11.95	12.15
J. Weingarten	566,118	500,272	+ 13.2	1,397	(3,666)	–	0.25	–	1,824	(7.692)	27,807	26,410	5.02	–
Weis Markets	606,346	518,003	+ 17.1	28,880	24,582	+ 17.5	4.76	4.75	55,278	48,326	157,806	135,972	18.30	18.08
Winn-Dixie	5,388,979	4,930,538	+ 9.3	91,950	94,462	– 2.7	1.71	1.92	156,690	168,012	473,872	470,175	19.40	20.09

Note: The criterion for inclusion in this list is that the sales of each chain be at least $200,000,000.

( ) Designates a loss

+ 53 weeks in 1979; 52 weeks in 1978

‡ 52 weeks in 1979; 53 weeks in 1978.

(A) Net income of Borman's includes an extraordinary gain of $2,120,000 in 1978.

(B) Sales of Cook United are of continuing operations only.

(C) Sales of Food Fair are of continuing operations only.

(D) Net income of George Weston includes extraordinary gains of $10,528,000 in 1979 and $6,669,000 in 1978.

(E) Net income of Loblaw Cos. includes extraordinary gains of $12,089,000 in 1979 and $6,875,000 in 1978.

(F) Net income of National Tea includes extraordinary gains of $5,141,000 in 1979 and $4,789,000 in 1978.

(G) Net income of The Oshawa Group includes extraordinary gains of $1,648,000 in 1979 and $2,517,000 in 1978.

(H) Sales of Supermarkets General are of continuing operations only.

1979 STATISTICS FOR 15 LEADING DRUG CHAINS

Company	Sales (000's)		%	Net Income (000's)		%	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
	1979	1978	Chg.	1979	1978	Chg.	1979	1978	1979	1978	1979	1978	1979	1978
Cunningham Drug	$ 182,890	$ 168,124	+ 8.8	$ 1,682	$ 1,429	+ 17.7	0.92	0.85	$ 2,853	$ 2,521	$ 29,177	$ 27,826	5.76	5.14
Dart Drug	231,211	208,590	+10.8	3,565	2,484	+ 43.5	1.54	1.19	6,232	4,397	26,080	23,655	13.67	10.50
Drug Fair (A)	266,452	247,928	+ 7.5	754	1,592	– 52.6	0.28	0.64	2,820	2,387	29,686	29,605	2.54	5.38
Gray Drugs	452,777	406,525	+11.4	4,717	4,384	+ 7.6	1.04	1.08	8,116	8,216	53,340	50,554	8.84	8.67
Hook Drugs	207,215	184,240	+12.5	6,373	5,629	+ 13.2	3.08	3.06	12,519	11,583	32,526	29,679	19.59	18.97
Jack Eckerd (B)	1,325,140	1,131,445	+17.1	59,303	50,633	+ 17.1	4.48	4.48	109,117	96,327	358,178	311,456	16.56	16.26
Longs Drug	773,251	663,542	+16.5	26,687	23,600	+ 13.1	3.45	3.56	53,217	48,631	140,012	120,557	19.06	19.58
Pay Less Drug +	276,396	292,259	– 5.4	2,854	483	+490.9	1.03	0.17	5,430	719	31,269	29,180	9.13	1.66
Pay Less Drug NW	380,494	345,573	+10.1	12,400	9,853	+ 25.8	3.26	2.85	21,766	18,977	66,733	56,889	18.58	17.32
Peoples Drug ‡	441,114	404,430	+ 9.1	6,457	5,521	+ 17.0	1.46	1.37	10,902	9,105	46,917	40,863	13.76	13.51
Revco D.S.	1,092,797	927,533	+17.8	38,916	33,636	+ 15.7	3.56	3.63	72,916	63,136	214,833	183,169	18.11	18.36
Rite Aid (C)	811,100	640,272	+26.7	30,201	26,504	+ 13.9	3.72	4.14	54,641	48,062	162,008	137,727	18.64	19.24
Sav-On-Drug	526,995	456,169	+15.5	8,757	9,690	– 9.6	1.66	2.12	16,615	19,198	75,844	69,979	11.55	13.85
Thrifty Corp.	858,358	759,236	+13.1	14,200	10,685	+ 32.9	1.65	1.41	24,676	20,437	99,791	90,908	14.23	11.75
Walgreen (D)	1,344,542	1,192,855	+12.7	30,293	24,033	+ 26.0	2.25	2.01	53,253	46,078	175,248	153,482	17.29	15.66

NOTE: The criterion for inclusion in this list is that the sales of the chain be at least $100,000,000.

+ 53 weeks in 1979; 52 weeks in 1978.

‡ 52 weeks in 1979; 53 weeks in 1978.

(A) Sales of Drug Fair are of continuing operations only.

(B) Sales of Jack Eckerd include operating revenues.

(C) Sales of Rite Aid are of continuing operations only.

(D) Sales of Walgreen are of continuing operations only.

1979 STATISTICS FOR 9 LEADING SHOE CHAINS

Company	Sales (000's)		%	Net Income (000's)		%	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
	1979	1978	Chg.	1979	1978	Chg.	1979	1978	1979	1978	1979	1978	1979	1978
Brown Group +	$1,144,922	$ 983,980	+16.4	$ 41,752	$ 33,461	+ 24.8	3.65	3.40	$ 79,534	$ 67,723	$ 273,332	$ 245,751	15.28	13.67
Edison Bros.	793,395	739,439	+ 7.3	44,717	45,992	– 2.8	5.64	6.22	85,593	92,309	217,583	192,801	20.55	23.85
INTERCO	2,024,307	1,851,458	+ 9.3	106,706	92,576	+ 15.3	5.27	5.00	205,735	186,869	836,313	684,164	12.76	13.53
McDonough	450,611	417,841	+ 7.8	21,550	21,045	+ 2.4	4.78	5.04	36,248	36,077	144,520	128,099	14.91	16.43
Melville Corp.	2,022,770	1,747,372	+15.8	101,174	87,987	+ 15.0	5.00	5.04	201,455	186,832	421,843	354,328	23.98	24.83
Morse Shoe	384,921	336,274	+14.5	15,015	15,201	– 1.2	3.90	4.52	25,683	27,157	95,601	84,189	15.71	18.06
Nordstrom	346,269	297,629	+16.3	16,419	13,667	+ 20.1	4.74	4.59	29,069	26,312	111,059	97,230	14.78	14.06
SCOA	880,199	780,333	+12.8	30,381	20,291	+ 49.7	3.45	2.60	55,390	39,366	102,438	78,571	29.66	25.83
United States Shoe	831,248	717,010	+15.9	29,203	26,775	+ 9.1	3.51	3.73	54,251	52,425	188,252	168,656	15.51	15.88

NOTE: The criterion for inclusion in this list is that the sales of the chain be at least $100,000,000.

+ 53 weeks in 1979; 52 weeks in 1978.

‡ 52 weeks in 1979; 53 weeks in 1978.

Action Industries, Inc.

Allegheny Industrial Park
460 Nixon Road
Cheswick, Pennsylvania 15024
(412) 782-4800

Officers: Amos Comay, chairman of the board, chief executive officer & treasurer; Ernest S. Berez, president; Sholom D. Comay, sr. v.p., gen. counsel & secretary; Bobbie W. Carter, v.p.-info. systems; Raymond A. Hutchinson, exec. v.p.-finance & administration; Allan L. Merken, v.p.; Walter M. Tymoczko, controller; Samuel Kaufman, secretary; Linda S. Wilson, asst. secretary.

Directors: Amos Comay, chairman, Ernest S. Berez, Joel L. Gold, S. Bob Buchwach, Samuel Kaufman, Sholom D. Comay, Charles B. Cooper.

Business Activities: Markets hardware, housewares and related products to the consumer. The Company markets total promotional programs to retailers under the trade name "Dollar Ama" and others. "The European Collection Division" imports and distributes to retailers special promotional items, principally crystal. The retail division operates company owned Home Centers, Hardware Stores, and Dollar Fair stores in Western Pennsylvania and neighboring states. Also manufactures plastics for its programs and the retail trade.

Transfer Agent(s):

The Union National Bank of Pittsburgh
Fourth Avenue and Wood Street
Pittsburgh, Pennsylvania 15222

Marine Midland Bank-New York
140 Broadway
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: ACX

Number of Stores: (at fiscal year end)

	Company Owned	Franchised
1979	30	12
1978	34	15
1977	33	17
1976	29	17
1975	26	18

Sales and Earnings

	Net Sales	Net Income
1979	$ 48,286,951	$ (2,306,888)
1978	58,615,044	67,187
1977	64,585,904	2,204,421
1976	55,014,599	1,889,591
1975	43,853,137	864,419

	No. of Com. Shares #	Earn. per Share #
1979	1,692,637	$ —
1978	1,692,059	0.04
1977	1,688,962	1.31
1976	1,686,133	1.12
1975	1,698,373	0.51

(Loss)
Based on average number of shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business
(000's)

	1979	1978
Promotional programs	$ 27,631	$ 36,827
Retail sales	12,841	11,546
Other sales	7,815	10,242
Total	$ 48,287	$ 58,615

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$ —	—	—
1978	0.14	—	—
1977	0.25	5%	—
1976	0.19	—	—
1975	—	—	—

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 14,652,637	$8.66
1978	16,958,325	10.02
1977	17,117,490	10.13
1976	15,335,837	9.08

‡ Adjusted to reflect stock dividend.

Income Account*

Year ended June 30	1979	1978
Net sales	$ 48,286,951	$ 58,615,044
Cost of sales	34,567,192	40,293,962
Expenses	16,082,656	16,265,373
Interest expense	2,228,425	2,046,806
Other income	430,480	139,928
Income (loss) before taxes	$ (4,160,842)	$ 148,831
Tax credit	(1,622,020)	(9,000)
Minority interest	(231,934)	90,644
Net Income (Loss)	$ (2,306,888)	$ 67,187

* Included in Costs and Expenses, Depreciation and Amortization: $1,364,362 in 1979 and $1,225,579 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 2,456,840	$ 1,711,941
Comm. paper	2,589,918	2,700,000
Notes & accts. receiv., net	5,397,437	6,527,064
*Inventories	17,124,201	19,592,727
Refundable inc. taxes	2,074,973	826,303
Prepaid expenses	310,587	444,514
Current Assets	$ 29,953,956	$ 31,802,549
Minority interest	1,482,538	1,123,337
#Fixed assets	11,863,320	12,319,046
Other assets	667,614	789,322
Total Assets	$ 43,967,428	$ 46,034,254

Liabilities

	1979	1978
Long-term debt, curr.	$ 1,056,598	$ 1,030,841
Accts. payable	5,152,624	5,185,256
Accruals	2,089,513	1,270,599
Curr. Liabilities	$ 8,298,735	$ 7,486,696
Long-term debt	20,310,791	21,014,114
Deferred inc. taxes	705,265	575,119
+Common stock	172,818	172,776
Add. paid-in capital	7,288,097	7,286,939
Retained earnings	7,288,553	9,595,441
Treasury stock	(96,831)	(96,831)
Total Liabilities & Shareholders' Equity	$ 43,967,428	$ 46,034,254

* At lower of cost (weighted moving average method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.25
%Net Income to Sales	—	0.11
%Net Income to Equity	—	0.40
Sales to Inventories	2.82	2.99
Working Capital	$ 21,655,221	$ 24,315,853
Current Ratio	3.61	4.25
Shareholders' Equity	$ 14,652,637	$ 16,958,325

Adams Drug Co., Inc.

75 Sabin Street
Pawtucket, Rhode Island 02860
(401) 724-9500

Officers: Donald Salmanson, president; Charles Salmanson, treasurer; Samuel Salmanson, secretary; Gary G. Remley, v.p.-finance & asst. treasurer; Arthur Villeneuve, v.p.-store operations; George Neville, v.p.-purchasing; Jerrold Salmanson, v.p.-store planning & development; James Salmanson, v.p.-marketing; Charles P. Arms, v.p.-real estate; Attilio Verrengia, v.p.-administrative services; Robert Dimbleby, v.p.-taxation.

Directors: Donald Salmanson, Charles Salmanson, Samuel Salmanson, Thelma S. Rodbell, Clarke Simonds, Clarence H. Gifford, Jr.

Business Activities: Operates drug and health and beauty aid stores in Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont. The stores are operated principally under the names "Brooks," "Adams Drug Store," "Whelan Drug," "Nescott Drug," "Sun Drug" and "Eckerd Drug."

Transfer Agent(s):

Rhode Island Hospital Trust National Bank
Providence, Rhode Island

Stock Exchange(s): New York

Ticker Symbol: ADG

Number of Stores: (at fiscal year end)

1979	411
1978	361
1977	362
1976	366
1975	369

Sales and Earnings

	Net Sales	Net Income ‡
1979	$175,754,174	$ 2,478,742
1978	154,352,669	2,893,815
1977	145,366,592	3,151,305
1976	136,291,325	2,387,557
1975	132,084,085	2,019,112

	No. of Com. Shares	Earn. per Share ‡×
1979	4,062,500	$0.61
1978	4,062,500	0.71
1977	4,062,500	0.68
1976	4,062,500	0.59
1975	4,062,500	0.50

‡ Including extraordinary gain of $384,264 ($0.09 per share) in 1977.
× Based on the weighted average number of common shares outstanding and common share equivalents from dilutive stock options.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.04	—	—
1978	0.04	—	—
1977	0.04	—	—
1976	0.04	—	—
1975	0.04	—	—

Adams Drug Co., Inc.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 29,119,212	$7.17
1978	26,802,970	6.60
1977	24,071,655	5.93
1976	21,082,850	5.19
1975	18,857,793	4.64

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$175,754,174	$154,352,669
Cost of sales	117,749,279	100,516,191
Expenses	52,732,388	46,704,518
Interest expense	1,575,294	1,634,614
Other income	(1,061,529)	(656,469)
Income before taxes	$ 4,758,742	$ 6,153,815
Income taxes	2,280,000	3,260,000
Net Income	$ 2,478,742	$ 2,893,815

*Included in Costs and Expenses. Depreciation and Amortizaton of $1,509,030 in 1979 and $1,486,985 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 5,633,238	$ 3,916,193
Cert. of deposit	1,700,000	3,983,600
Accts. receiv., net	2,345,539	1,629,584
* Inventories	43,328,836	36,370,065
Prepaid expenses	517,059	434,932
Current Assets	$ 53,524,672	$ 46,334,374
# Fixed assets	9,294,033	7,161,933
Other assets	710,269	298,274
Intangibles	575,725	491,990
Total Assets	$ 64,104,699	$ 54,286,571

Liabilities

Long-term debt, curr.	$ 1,353,076	$ 805,816
Accts. payable	10,185,738	7,344,955
Rents	336,991	255,428
Accruals	1,355,997	1,112,641
Accrued interest	607,800	609,827
Accrued payroll	865,749	656,233
Income taxes	1,611,938	1,587,795
Other taxes	1,624,663	1,347,460
Other liab.	34,769	8,431
Curr. Liabilities	$ 17,976,721	$ 13,728,586
Long-term debt	17,008,766	13,755,015
+ Common stock	406,250	406,250
Retained earnings	28,712,962	26,396,720
Total Liabilities & Shareholders' Equity	$ 64,104,699	$ 54,286,571

* At cost (LIFO).
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.71	3.99
%Net Income to Sales	1.41	1.87
%Net Income to Equity	8.51	10.80
Sales to Inventories	4.06	4.24
Working Capital	$ 35,547,951	$ 32,605,788
Current Ratio	2.98	3.38
Shareholders' Equity	$ 29,119,212	$ 26,802,970

After Six, Incorporated

2137 Market Street
Philadelphia, Pennsylvania 19103
(215) 561-6666

Officers: Samuel Rudofker, president and chairman of the board; Robert C. Rudofker, exec. vice president; C. Wesley La Blanc, exec. v.p., sec. & treasurer; Bernard Toll, v.p.-market development & communications; Stephen N. Broder, v.p. & corp. controller; David L. Rudofker, v.p.-mfg.; Howard Gittis, secretary; Frank M. Gilbert, asst. treasurer.

Directors: Edward Fischer, Howard Gittis, David L. Rudofker, Robert C. Rudofker, Samuel Rudofker, C. Wesley La Blanc, Samuel Feld, Bernard J. Korman.

Business Activities: Manufactures and markets men's formal wear and accessories, fashion clothing, sportswear and furnishings and men's outerwear and uniforms; also operates Morville Clothes, a men's wear retail chain, in eastern Pennsylvania.

Divisions & Subsidiaries:

After Six Formals
2137 Market Street
Philadelphia, Pennsylvania 19103
(215) 561-6666

Afte Six Uniform Co., Inc.
640 N. Broad Street
Philadelphia, Pennsylvania 19130

Morville Clothes, Inc.
15th & Walnut Streets
Philadelphia, Pennsylvania 19102
(215) PE5-5400

The House of Malcolm Kenneth
315 North 12th Street
Philadelphia, Pennsylvania 19107
(215) 922-2570

Lebow Bros. Inc.
310 E. Oliver Street
Baltimore, Maryland 21202
(301) 685-7444

Bert Paley Ltd., Inc.
c/o Harry Fischer Corp.
315 North 12th Street
Philadelphia, Pennsylvania
(215) 922-2928

V-Line Clothes
640 North Broad Street
Philadelphia, Pennsylvania 19130
(215) 236-5555

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania 19101

Stock Exchange(s): American

Ticker Symbol: TUX

Number of Stores: (at fiscal year end)

1979	8	1976	9
1978	8	1975	8
1977	8		

Sales and Earnings

	Net Sales	Net Income
1979	$ 71,013,000	$ 1,265,200
1978	69,347,300	2,256,000
1977	63,574,500	2,003,200
1976	54,380,600	1,679,800
1975	54,581,800	1,208,500

	No. of Com. Shares	Earn. per Share ‡
1979	1,585,131	$0.79
1978	1,573,931	1.41
1977	1,563,531	1.27
1976	1,561,631	1.07
1975	1,561,631	0.76

‡ Based on weighted average number of shares outstanding.

Revenues By Line of Busniess

	1979	1978
Manufacturing:		
Formal wear	$ 36,901,000	$ 38,353,000
Outerwear	12,683,000	10,819,000
Fashion clothing	12,178,000	11,721,000
Retailing	9,251,000	8,454,000
Total	$ 71,013,000	$ 69,347,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.31	—	—
1978	0.27	—	—
1977	0.22	—	—
1976	0.155	—	—
1975	0.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$ 26,604,000	$16.78
1978	25,795,200	16.39
1977	23,932,500	14.67
1976	22,280,400	14.27
1975	20,857,300	13.36

‡ After allowing for preferred stock at par value.

Income Account *

Year ended June 30	1979	1978
Net sales	$ 71,013,000	$ 69,347,300
Other income	742,100	565,400
Total Income	$ 71,755,100	$ 69,912,700
Cost of sales	49,979,100	47,982,300
Expenses	16,199,400	15,399,900
Interest expense	3,383,400	2,180,000
Income before taxes	$ 2,193,200	$ 4,350,500
Income taxes	928,000	2,094,500
Net Income	$ 1,265,200	$ 2,256,000

* Included in Costs and Expenses. Depreciation and Amortization $828,800 in 1979 and $652,700 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 1,281,330	$ 1,710,000
Accts. receiv., net	26,082,100	25,860,500
* Inventories	29,301,700	26,413,000
Prepaid expenses	1,564,100	1,336,300
Current Assets	$ 58,229,200	$ 55,319,800
# Fixed assets	8,366,100	7,511,200
Other assets & defer. charges	2,050,800	2,886,100
Intangibles	2,862,600	2,862,600
Total Assets	$ 71,508,700	$ 68,579,700

Liabilities

Notes payable	$ 14,500,000	$ 18,000,000
Long-term debt, curr	727,000	683,600
Accts. payable	5,029,300	4,710,400
Accruals	3,367,600	3,499,000
Income taxes	108,000	668,500
Deferred taxes	1,793,800	1,653,400
Curr. Liabilities	$ 25,525,700	$ 29,214,900
Long-term debt	18,597,700	12,924,800
Deferred taxes	456,300	319,800
+ Preferred stock	325,000	325,000
+ + Common stock	792,600	787,000
Add. paid-in capital	7,541,700	7,499,300
Retained earnings	18,269,700	17,508,900
Total Liabilities & Shareholders' Equity	$ 71,508,700	$ 68,579,700

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $100 par value; 4½%.
+ + $0.50 value.

Statistical Summary

%Income bef. Taxes to Sales	3.09	6.27
%Net Income to Sales	1.78	3.25
%Net Income to Equity	4.70	8.64
Sales to Inventories	2.42	2.63
Working Capital	$ 32,703,500	$ 26,104,900
Current Ratio	2.28	1.89
Shareholders' Equity	$ 26,929,000	$ 26,120,200

Albertson's, Inc.

P.O. Box 20
250 Parkcenter Boulevard
Boise, Idaho 83726
(208) 344-7441

Officers: J.A. Albertson, chairman of the exec. committee; Robert D. Bolinder, vice chairman & chief financial & administrative officer; Warren E. McCain, chairman of the board, chief exec. officer & president; Kenneth R. Huff, exec. v.p.-distribution & manufacturing; John B. Carley, Gary G. Michael, exec. v.p.'s; Richard L. Allen, sr. v.p.-retail operations; Paul W. Mouser, sr. v.p.-Southco Div. Properties; C. Clint Joyce, sr. v.p.-management information systems; Gerald R. Rudd, sr. v.p.-corporate services; Alec R. Gloth, sr. v.p.-retail operations; W.L. Jordon, sr. v.p.-corp. merchandising; Lee V. Landon, sr. v.p.-real estate; Michael F. Reuling, sr. v.p. & general counsel; John H. Sheehan, sr. v.p.; vice presidents: Al Featherstone, Northern Calif. Div., Duane M. Hamilton-bakery operatons, Sterling R. Loveland-Western Washington Div., Dustin P. Moulton-Idaho Div., Burnell K. Semrau-employee development, Wendell E. Hornecker, -design & construction, Robert C. Braun, distribution California, Peter W. Gustavsen, distribution Boise, Pamela J. Beaumont-marketing, Robert D. Payne-general merchandise operations, M. Kent Knudson-meat operations, Richard C. Rowe, -produce & liquor operations, Kenneth R. Kramer-delicatessen operations, Robert G. Miller-Rocky Mountain Div., Gerald M. Otis-Oregon Div., Carl W. Pennington-Inland Empire Div., Ronald D. Walk-Utah Div., David I. Connolly-finance & treasurer, Marvin Robertson-Southern Calif. Div.; Minnie O. Armstrong, secretary; Ada A. Connor, R. Bruce Gordon, asst. secretaries; Jerry R. Timm, controller.

Directors: J.A. Albertson, Kathryn Albertson, Robert D. Bolinder, R.V. Hansberger, W.H. Langroise, Thomas E. Roach, Barbara Rasmussen, B.Z. Kastler, Warren E. McCain, John B. Fery, Charles D. Lein, John B. Carley, Gary G. Michael, David Little.

Business Activities: Operates a chain of food centers in Idaho, California, Montana, Nevada, Oregon, Utah, Washington, Wyoming, Colorado, Arizona and New Mexico.

Division(s):

Southco Division
Orlando, Florida

Operates 48 combination drug-grocery units and one drug store in Texas, Louisiana, Alabama and Florida.

Transfer Agent(s):

Morgan Guaranty Trust Company
of New York
New York, New York

The Idaho First National Bank
205 North 10th Street
Boise, Idaho 83702

Stock Exchange(s): New York, Pacific

Ticker Symbol: ABS

Number of Stores: (at fiscal year end)

1980	384	1977	292
1979	365	1976	313
1978	305		

Sales and Earnings

	Net Sales	Net Income
1980	$2,673,848,000	$ 38,323,000
1979*	2,268,969,721	36,421,412
1978	1,816,494,847	24,832,450
1977	1,490,838,975	17,072,638
1976	1,271,124,076	15,250,318

	No. of Com. Shares ≠	Earn. per Share ≠
1980	15,378,741	$2.49
1979	15,292,862	2.38
1978	15,210,076	1.63
1977	15,120,397	1.13
1976	13,250,084	1.15

* 53 weeks.
≠ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.60	–	2-for-1
1979	0.48	–	–
1978	0.40	–	–
1977	0.36	–	–
1976	0.32	–	–

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$178,488,000	$12.07
1979	148,872,291	10.08
1978	118,863,793	8.10
1977	99,385,746	6.81
1976	87,448,302	6.00

+ Adjusted to reflect stock split.

Income Account*

Year ended	1/31/80	2/1/79
Net sales	$2,673,848,000	$2,268,969,721
Other income	8,506,000	8,714,619
Total income	$2,682,354,000	$2,277,684,340
Cost of sales	2,089,229,000	1,752,006,736
Expenses	521,490,000	454,474,878
Income before taxes	$ 71,635,000	$ 71,202,726
Income taxes	33,312,000	34,781,314
Net Income	$ 38,323,000	$ 36,421,412

* Included in Costs and Expenses, Depreciation and Amortization: $23,956,000 in 1980 and $19,454,870 in 1979.

Assets

As of	1/31/80	2/1/79
Cash & short-term securities	$ 57,754,000	$ 68,744,085
Accts. & notes receiv., net	13,919,000	14,113,626
*Inventories	170,395,000	155,673,992
Prepaid expenses	4,281,000	4,232,418
Property held for resale	12,343,000	14,792,481
Deferred inc. tax benefits	7,970,000	6,821,500
Refund inc. taxes	1,336,000	–
Current Assets	$267,998,000	$264,378,102
≠Fixed assets	289,262,000	273,257,954
Other assets	10,999,000	9,110,023
Notes receiv.	1,096,000	1,716,009
Defer. charges	158,000	993,700
Receiv. for capital subleases	3,276,000	2,759,010
Total Assets	$572,789,000	$552,214,798

Liabilities

Long-term debt, curr.	$ 1,423,000	$ 5,346,964
Accts. payable	135,337,000	133,734,828
Accrued payroll	13,935,000	13,948,225
Dividends payable	2,218,000	1,772,153
Interest payable	3,337,000	3,313,407
Income taxes	–	14,505,391
Other taxes	9,043,000	10,141,842
Oblig. under cap. leases, curr.	3,362,000	2,342,682
Curr. Liabilities	$168,655,000	$185,105,492
Long-term debt	85,748,000	85,078,342
Oblig. under cap. leases	125,882,000	121,722,491
Deferred invest. credit	9,564,000	7,828,350
Deferred inc. taxes	398,000	677,954
Deferred compensation	4,054,000	2,929,878
+Common stock	14,791,000	7,383,971
Add. paid-in capital	26,686,000	33,926,217
Retained earnings	137,011,000	107,562,103
Total Liabilities & Shareholders' Equity	$572,789,000	$552,214,798

* At lower of cost (FIFO & FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.68	3.14
%Net Income to Sales	1.43	1.61
%Net Income to Equity	21.47	24.46
Sales to Inventories	15.69	14.58
Working Capital	$ 99,343,000	$ 79,272,610
Current Ratio	1.59	1.43
Shareholders' Equity	$178,488,000	$148,872,291

Alexander's, Inc.

500 Seventh Avenue
New York, New York 10018
(212) 560-2121

Officers: Benjamin Bartel, chairman of the board; Alexander Farkas, president and chief executive officer; Bruce R. Farkas, exec. v.p.-administration; Jack Hirschhorn, exec. v.p.-merchandising; Robin L. Farkas, sr. v.p.-real estate & treasurer; Roger Barrer, senior vice president-general manager; Louis Powell, sr. v.p.-group divisional merchandise mgr.; Walter S. Freedman, senior vice president-finance and secretary; Robert Geber, v.p.-operations; Leon Peck, v.p. & controller; Albert Seedman, v.p.-security; Kenneth A. Parker, v.p.-personnel; Murray Cohen, Robert G. Spevak, Frances Leichtman, Gerald Wolpin, v.p.'s & divisional merch. mgrs.; Marvin Shenfeld, v.p.-management info. services; Eugene Toomer, v.p.-employee relations; Jonathan Farkas, v.p.-services; Donald Madsen, v.p.-construction; Harvey Weston, v.p.-store planning.

Directors: Benjamin Bartel* +, chairman; Alexander Farkas* +, Robin L. Farkas +, Bruce R. Farkas*, Jack Hirschhorn +, Roger Barrer +, Walter S. Freedman* +, Jonathan Farkas +, George J. Ames*, John M. Lockhart*, David A. Goldberg*, Milton E. Mermelstein +, Robert B. Rivel.

* Member of Executive Committee
+ Member of the Management Committee

Business Activities: Operates a chain of department stores in the greater New York Metropolitan area.

Acquisition(s):

Margo's La Mode, Inc. (July 26, 1980)
3909 Live Oak
Dallas, Texas 75204

Operates stores which carry moderate to better-priced women's and young women's apparel, footwear and accessories.

Alexander's, Inc.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Stock Exchange(s): New York

Ticker Symbol: ALX

Number of Stores: (at fiscal year end)

1979	15	1976	13
1978	15	1975	12
1977	14		

Sales and Earnings

	Net Sales ‡	Net Income ‡‡†
1979	$454,055,000	$ 4,136,000
1978	432,618,000	4,197,000
1977	400,968,000	3,402,000
1976	383,089,826	5,049,000
1975	345,641,504	4,179,000

	No. of Com. Shares	Earn. per Share #‡‡†
1979	4,519,168	$0.91
1978	4,549,168	0.92
1977	4,549,168	0.75
1976	4,549,168	1.11
1975	4,549,168	0.92

‡ Including leased departments.
† Restated to reflect capitalization of leases.
‡‡ Including extraordinary gains of $101,142 ($0.02 per share) in 1976 and $219,929 ($0.05 per share) in 1975.
# Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.40	—	—
1978	0.40	—	—
1977	0.40	—	—
1976	0.30	—	—
1975	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 66,813,000	$14.78
1978	64,711,000	14.22
1977	62,334,000	13.70

Income Account*
(000's)

Year ended	7/28/79	7/29/78‡
Net sales	$ 454,055	$ 432,618
Cost of sales	335,318	320,264
Expenses	105,140	98,648
Interest expense	5,076	5,057
Income before taxes	$ 8,521	$ 8,649
Income taxes	4,385	4,452
Net Income	$ 4,136	$ 4,197

* Included in Costs and Expenses, Depreciation and Amortization: $6,252,000 in 1979 and $5,840,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	7/28/79	7/29/78‡
Cash	$ 3,025	$ 3,956
Investments	7,500	7,280
Accts. receiv.	3,927	—
*Inventories	57,468	49,449
Other curr. assets	8,553	7,296
Current Assets	$ 80,473	$ 67,981
#Fixed assets	101,502	94,154
Other assets	14,983	15,640
Intangibles	888	—
Total Assets	$ 197,846	$ 177,775

Liabilities
(000's)

Notes payable	$ 4,210	$ —
Long-term debt, curr.	3,816	3,201
Accts. payable	24,215	22,200
Income taxes	2,616	2,255
Other taxes	4,504	3,982
Curr. Liabilities	$ 39,361	$ 31,638
Long-term debt	85,546	75,525
Deferred inc. taxes	6,126	5,901
+Common Stock	4,717	4,717
Add. paid-in capital	9,498	9,498
Retained earnings	53,697	51,378
Treasury stock	(1,099)	(882)
Total Liabilities & Shareholders' Equity	$ 197,846	$ 177,775

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market, as determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.88	2.00
%Net Income to Sales	0.91	0.97
%Net Income to Equity	6.19	6.49
Working Capital	$ 41,112,000	$ 36,343,000
Current Ratio	2.04	2.15
Shareholders' Equity	$ 66,813,000	$ 64,711,000

Allied Stores Corporation

1114 Avenue of the Americas
New York, New York 10036
(212) 764-2000

Officers: Thomas M. Macioce, president & chief executive officer; John T. Cullen, exec. v.p.;Donald F. Dunn, sr. v.p. & exec. group mgr.; Howard E. Hassler, sr. v.p. -finance; James A. Walsh, sr. v.p. & exec. group mgr.; Robert M. Bozeman, v.p. -EDP services; Joseph J. Calandro, Jr., v.p. -taxes; Frank R. D'Elia, v.p., secretary & corp. attorney; Patrick R. Edwards, v.p. -admn. & operations; Benjamin Frank, v.p. -legal & gov't. affairs; Murray J. Latz, v.p. & treasurer; Joseph M. Lesser, Herbert Wittkin, Leon D. Starr, v.p.'s & exec. group mgr.'s; B. Robert Meyer, v.p. -marketing; G. Robert Meyers, v.p. -credit; Alfred J. Schwarz, v.p. -personnel & exec. development; Leonard S. Smith, v.p., pres. -Allied Stores Marketing Corp.; Frank E. Wilson, v.p. -construction & store planning; Frank J. Zamboni, v.p. -real estate; Angelo A. Cisternino, controller; Frederick T. Van Liew, asst. v.p.; Lawrence Saunders, JoAnn Abma, asst. treasurers.

Directors: Milton P. Brown, Walter E. Dennis, Leonard H. Goldenson, Herman H. Kahn, George C. Kern, Jr., Lillian Berkman, Thomas M. Macioce, Donald F. Dunn, Eugene S. Northrop, John T. Cullen, Howard E. Hassler, George A. Roeder, Jr., Franklin A. Thomas, Thomas F. Murray.

Business Activities: Owns and operates department stores, branch [illegible] other retail units.

Division(s)

Block's
Indianapolis, Glendale, Southern Plaza, Kokomo, Washington Square, Lafayette Square, Bloomington, Lafayette, Indiana

Bon Marche
Seattle, Longview, Kennewick, Spokane, Northgate, Alderwood, Everett Mall, Federal Way, Olympia, Bellingham, Everett, Tukwila, Tacoma, Walla Walla & Yakima, Washington; Boise, Indaho Falls, Lewiston, Moscow, Nampa & Twin Falls, Idaho; Eugene and Pendleton, Oregon; Ogden and Logan, Utah; Great Falls & Missoula, Montana

Cain-Sloan
Nashville, Green Hills, Rivergate, Hickory Hollow, Tennessee.

Dey Brothers
Syracuse, Baldwinsville, Shoppingtown & Camillus.
New York

Donaldson's
Minneapolis, St. Paul, Rochester, Southdale, Brookdale, Ridgedale, and Rosedale, Minnesota; Waterloo, Crossroads, & Cedar Falls, Iowa.

Field's
Jackson, Michigan

Gertz
Jamaica, Flushing, Hicksville, Massapequa, & Bayshore, New York

Hardy-Herpolsheimer
Muskegon, Michigan

Herp's
Grand Rapids & Wyoming, Michigan

Jordan Marsh - New England
Boston, Peabody, Framingham, Malden, Braintree, Cape Cod, Brockton, Methuen, Lowell, Worcester & Burlington, Massachusetts; Bedford, New Hampshire; Portland, Maine; Warwick, Rhode Island.

Jordan Marsh-Southeast
Miami, North Miami, Dadeland, Ft. Lauderdale, Plantation, Lauderhill, Hollywood, Merritt Island, Orlando, North Orlando, Pompano, West Palm Beach, Florida.

Heer's
Battlefield Mall,
Springfield, Missouri

Joske's
San Antonio, Las Palmas, North Star, Windsor Park, Beaumont, Houston Post Oak, Austin, Northline, Gulfgate, Westwood, Town & Country, El Paso, Dallas, Irving, Baybrook Mall, Lake Jackson, Lochwood, North Park, Preston Forest, Red Bird, Mesquite, Prestonwood, Richardson, Wynnewood, Arlington, Texas; Phoenix Colonnade, Phoenix Metrocenter, Arizona.

Levy's of Savannah
Savannah, Georgia

Maas Brothers
Tampa, St. Petersburg, Lakeland, Sarasota, South Sarasota, Naples, Bradenton, Winter Haven, Northgate, Clearwater, Country Side, Fort Myers, West Shore, North Tampa, Tyrone Square, Gainesville, Gandy, Tallahasse, Florida.

Muller's
Lake Charles, Louisiana

Pomeroy's
Reading, Harrisburg, Wilkes-Barre, Pottsville, Levittown, Lebanon, Berkshire, Colonial Park, Wyoming Valley, Neshaminy, Wyoming and Camp Hill, Pennsylvania; Willingboro, New Jersey; Wilmington, Delaware.

Read's
Bridgeport, Derby, Trumbull, Southbury, and Danbury, Connecticut

Stern Brothers
Paramus, South Plainfield, Wayne, Willowbrook, Woodbridge, Ocean & West Orange, New Jersey

Troutman's
Greensburg, Butler, Indiana, Connellsville, Latrobe, New Castle, Westmoreland and Washington, Pennsylvania

Wren's
Springfield and Upper Valley, Ohio.

Transfer Agent(s):

The Bank of New York
48 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: ALS

Number of Stores: (at fiscal year end).

1980	216	1977	168
1979	176	1976	165
1978	175		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1980	$ 2,210,301	$ 90,135
1979*	2,082,686	82,339
1978	1,908,134	73,756
1977	1,797,028	61,839
1976	1,755,007	54,871

	No. of Com. Shares	Earn. per Share ×
1980	20,522,000	$4.41
1979*	20,318,000	4.08
1978	19,739,313	3.78
1977	9,490,196	3.37
1976	8,111,101	3.41

* 53 weeks.
‡ Includes leased departments.
× Adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.55	—	—
1979	1.30	—	—
1978	1.05	—	2-for-1
1977	0.875	—	—
1976	0.775	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share†
1980	$712,075,000	$34.70
1979	649,072,000	31.95
1978	580,483,000	29.41
1977	511,366,000	26.94
1976	400,859,000	24.71

† Adjusted to reflect stock split.

Income Account
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 2,210,301	$ 2,082,686
Other income	29,448	25,253
Total income	$ 2,239,749	$ 2,107,939
Cost of sales & exp.	1,887,727	1,773,174
Depreciation	38,226	35,837
Rent	32,958	31,895
Maintenance & repairs	19,362	17,659
Interest expense	32,945	31,284
Misc. taxes	61,796	59,841
Income before taxes	$ 166,735	$ 158,249
Income taxes	76,600	75,910
Net Income	$ 90,135	$ 82,339

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 11,023	$ 18,250
Short-term investments	19,000	73,000
Accts. receiv., net	552,610	499,219
*Inventories	285,357	281,091
Prepaid expenses	13,555	11,594
Current Assets	$ 881,545	$ 883,154
≠Fixed assets	592,155	531,755
Other assets	12,911	13,677
Total Assets	$ 1,486,611	$ 1,428,586

Liabilities
(000's)

Long-term debt. curr.	$ 17,481	$ 20,458
Accts. payable	179,281	167,366
Accruals	57,192	57,893
Income taxes	79,449	74,007
Other taxes	33,240	31,841
Curr. Liabilities	$ 366,643	$ 351,565
Long-term debt	383,610	404,292
Deferred inc. taxes	21,269	18,851
+ Preferred stock	3,014	4,806
+ + Common stock	20,522	20,318
Add. paid-in capital	178,031	173,525
Retained earnings	513,522	455,229
Total Liabilities & Shareholders' Equity	$ 1,486,611	$ 1,428,586

* At lower of cost or market, by the retail inventory method.
≠ Less accumulated depreciation.
+ $100 par value, 4% cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.54	7.60
%Net Income to Sales	4.08	3.95
%Net Income to Equity	12.60	12.59
Working Capital	$514,902,000	$531,589,000
Current Ratio	2.40	2.51
Shareholders' Equity	$715,089,000	$653,878,000

Allied Supermarkets, Inc.

8711 Meadowdale
Detroit, Michigan 48228
(313) 943-3300

Officers: Jack Rixmann, Chairman of the board, president, chief operating & financial officer; Nathan Fink, vice chairman of the board; Charles E. Martin, sr. v.p.-industrial relations; Elmer Blatz, v.p.-gen. mgr.-Manufacturing Division; Robert D. Billman, v.p. & gen. mgr.-Midwestern Division; Ralph Fisk, v.p.-general manager-Abner A. Wolf Co.; Larry Bialobrzeski, v.p., controller & treasurer; Joseph Harber, group v.p.-Michigan Division; David K. Page, secretary & counsel.

Directors: Earl W. Smith, David K. Page, Martin E. Citrin, Vincent J. Robinson, Franklin H. Graf, Dr. Barbara B. Murray, Nathan Fink; Jack Rixmann.

Business Activities: Operates a chain of 84 supermarkets in Michigan, Oklahoma, Texas, Kansas and South Dakota. The supermarkets are largely self-service, cash-and-carry stores which handle food and related products. Also operates 31 retail drug units in 3 states most of which are operated within Company supermarkets. Engaged in the wholesale food distribution business through its Abner A. Wolf Company, servicing 124 independent retailers in the Michigan and Ohio areas. Also maintains warehouse distribution centers and transportation fleets.

Notes:

The Company has been operating as debtor-in-possession under Chapter XI of the federal bankruptcy laws since November 6, 1978.

Division(s):

Midwestern Division
Oklahoma City, Oklahoma

Michigan Division
Detroit, Michigan

Abner Wolf Division
Livonia, Michigan

Acquisition(s):

Great Scott Super Markets, Inc. (100% owned)
Detroit, Michigan

Transfer Agent(s):

First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

National Bank of North America
80 Pine Street
New York, New York 10005

Stock Exchange(s): Philadelphia

Ticker Symbol: ASU

Number of Stores: (at fiscal year end)

1979	115	1976	242
1978	127	1975	254
1977	151		

Sales and Earnings

	Net Sales	Net Income ‡
1979*	$604,915,000	$ (31,398,000)
1978	758,955,000	(9,204,000)
1977	897,416,000	(10,761,000)
1976	897,471,000	(9,237,000)
1975	1,044,080,000	(4,078,000)

	No. of Com. Shares	Earn. per Share ≠ ‡
1979	5,218,497	$ —
1978	5,218,497	—
1977	5,218,497	—
1976	5,218,497	—
1975	5,218,497	—

(Loss)
* 53 weeks.
‡ Restated to reflect capitalization of leases.
≠ Based on weighted average number of shares outstanding.

Revenues by Line of Business

	1979	1978	1977	1976
Retail food stores	81.0%	85.6%	88.0%	88.0%
Wholesale distribution	13.2	10.4	8.4	8.9
Other	5.8	4.0	3.6	3.1
Total	100%	100%	100%	100%

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ (27,867,000)	$ —
1978	3,531,000	0.68

(Deficiency)
‡ Restated to reflect capitalization of leases.

Income Account
(000's)

Year Ended	6/30/79 (53 weeks)	6/24/78 ‡
Net sales	$ 604,915	$ 758,955
Other income	4,392	4,315
Total Income	$ 609,307	$ 763,270
Cost of sales	489,317	610,231
Expenses	116,769	610,231
Depreciation & amortization	6,414	7,895
Interest expense	3,375	5,985
Prov. (credit) for est. costs of store closings	(544)	3,136
Prov. for Chap. XI	26,429	—
Other income	(1,055)	(3,277)
Net Loss	$ (31,398)	$ (9,204)

‡ Restated to reflect capitalization of leases.

Allied Supermarkets, Inc.

Assets
(000's)

As of	6/30/79	6/24/78 ‡
Cash	$ 11,017	$ 7,626
Marketable securities	7,700	–
Accts. & notes receiv., net	5,453	7,287
*Inventories	34,316	38,970
Prepaid expenses	2,176	2,750
Prop. held for sale	3,607	348
Current Assets	$ 64,269	$ 56,981
# Fixes assets	19,932	29,668
Cap. leases	9,066	36,186
Defer. charges	–	2,504
Other assets	2,091	3,103
Prop. held for sale		4,159
Total Assets	$ 95,358	$ 132,601

Liabilities
(000's)

Long-term debt, curr.	$ 859	$ 5,481
Cap. lease oblig., curr.	1,062	2,251
Accts. payable	13,097	33,887
Accruals	4,434	11,606
Accrued payroll	2,888	4,012
Costs Assoc. with Chap. XI	6,803	–
Curr. Liabilities	$ 29,143	$ 57,237
Deferred liab. purs. to Chap. XI proc.	77,855	–
Convert. subord. debent.	–	17,000
Notes & mortgages	5,419	6,583
Capitalized lease oblig.	9,481	46,014
Other liabilities	1,327	2,236
+ Common stock	5,219	5,219
Add. paid-in capital	18,741	18,741
Retained earnings (deficit)	(51,827)	(20,429)
Total Liabilities & Shareholders' Equity	$ 95,358	$ 132,601

‡ Restated to reflect capitalization of leases.
* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	17.63	19.48
Working Capital	$ 35,126,000	–
Current Ratio	2.21	–
Shareholders' Equity (Deficit)	$ (27,867,000)	$ 3,531,000

Almy Stores Inc.
(formerly Gorin Stores Inc.)

1400 Soldiers' Field Road
Brighton, Massachusetts 02135
(617)782-5100

Officers: William Gorin, chairman of the board; Robert Gorin, president; Clyde W. Skillin, executive vice president, treasurer, & asst. secretary; Joseph Bergatti, senior vice president; Joseph Colameta, v.p.-personnel; Michael Goldman, vice president; Philip Dine, credit manager; Stephen Goldenberg, secretary.

Directors: Bertha G. Fritz, Peter Ulin, Powell Robinson, Jr., Morris Krauss, Verlon Moore, William Gorin, Robert Gorin, Clyde W. Skillin, Philip Dine, Stephen Goldenberg, Allen E. Beckwith.

Business Activities: Operates department stores in New England and New York. These stores operate under the following names:

Almy's
Beverly, Brockton, Burlington, Danvers, Everett, Gardner, Hadley, Hanover, Methuen, Peabody, Revere, Salem, Somerville, Stoneham & Walpole, Mass.; Derry & Nashua, N.H.; Burlington, Vt.; Waterbury, Ct. (2)

Gorins
Woburn, So. Boston, & Chelsea, Mass.

Edgars
Fall River & Swansea, Mass.

Star Store
New Bedford, Mass.

Freese's
Bangor, Maine (2)

Edwards
Greece & Pittsford, N.Y.

Witherills
Camillus, N.Y.

Transfer Agent(s):

First National Bank of Boston
P.O. Box 1926
Boston, Massachusetts 02105

Stock Exchange(s): American

Ticker Symbol: ALY

Number of Stores: (at fiscal year end)

1979	32	1976	31
1978	32	1975	29
1977	30		

Sales and Earnings

	Net Sales	Net Income
1979	$ 79,220,663	$ 1,024,000
1978	75,548,552	1,200,000
1977	71,459,021	986,000
1976	68,303,865	1,046,000
1975	65,294,482	1,080,000

	No. of Com. Shares †	Earn. per Share †
1979	998,000	$1.03
1978	998,000	1.20
1977	998,000	0.99
1976	998,000	1.05
1975	998,025	1.08

† Based on the average number of shares outstanding of common stock and Class B common stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	–	–
1978	0.20	–	–
1977	0.10	–	–
1976	0.10	–	–
1975	0.10	–	–

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 22,936,926	$22.98
1978	22,112,052	22.16
1977	21,111,385	21.15

‡ Based on the average number of shares outstanding of common stock and Class B common stock combined.

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$ 79,220,663	$ 75,548,552
Other income	1,006,944	1,005,895
Total income	$ 80,227,607	$ 76,554,447
Cost of sales	50,632,748	48,488,830
Expenses	27,157,837	25,089,239
Interest expense	972,548	816,111
Income before taxes	$ 1,464,474	$ 2,160,267
Income taxes	440,000	960,000
Net Income	$ 1,024,474	$ 1,200,267

* Included in Costs and Expenses, Depreciation and Amortization: $1,266,576 in 1979 and $1,160,449 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 1,875,528	$ 1,966,526
Investments & sav. accts.	3,500,000	3,002,970
Accts. receiv., net	8,487,998	8,127,378
*Inventories	12,491,531	11,805,976
Prepaid expenses	506,950	481,096
Current Assets	$ 26,862,007	$ 25,383,946
# Fixed assets	10,322,287	9,747,478
Capital leases	4,857,000	4,133,000
Intangibles	567,727	678,714
Other assets	1,298,525	983,929
Total Assets	$ 43,907,546	$ 40,927,067

Liabilities

Long-term debt, curr.	$ 826,000	$ 787,000
Accts. payable	7,520,948	5,029,438
Accruals	1,502,550	1,584,656
Income taxes	1,508,834	1,975,516
Other taxes	533,619	534,051
Curr. Liabilities	$ 11,891,951	$ 9,910,661
Long-term debt	8,380,669	8,165,354
Deferred inc. taxes	698,000	739,000
+ Common stock	1,000,000	1,000,000
Add. paid-in capital	1,984,506	1,984,506
Retained earnings	19,957,433	19,132,559
Treasury stock	(5,013)	(5,013)
Total Liabilities & Shareholders' Equity	$ 43,907,546	$ 40,927,067

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.85	2.86
%Net Income to Sales	1.29	1.59
%Net Income to Equity	4.47	5.43
Sales to Inventories	6.34	6.40
Working Capital	$ 14,970,056	$ 15,473,285
Current Ratio	2.26	2.56
Shareholders' Equity	$ 22,936,926	$ 22,112,052

American Can Company

American Lane
Greenwich, Connecticut 06830
(203) 552-2000

Officers: William F. May, chairman of the board & chief exec. officer; William S. Woodside, president & chief operating officer; Judd H. Alexander, sr. v.p.-office of the chmn.; Francis J. Connor, sr. v.p. & sector executive packaging; Sal J. Giudice, sr. v.p.-human resources; Jerry N. Mathis, sr. v.p. & sector executive international; James E. McClellan, sr. v.p.-corp. market resources; C. Richard Pedersen, sr. v.p., gen. counsel & secretary; Roy B. Simpson, sr. v.p. & sector executive consumer; William J. Smith, sr. v.p.-technology & development; Lionel N. Sterling, sr. v.p.-finance & distribution; Kenneth A. Yarnell, Jr., sr. v.p.-mergers & acquisitions & treasurer; Alfred G. Goldstein, sr. v.p.-consumer businesses; David R. Parker, v.p.-strategic planning; John G. Polk, v.p. & controller.

Directors: William F. May, chairman; Edwin A. Bergman, William T. Coleman, Jr., Edwin D. Etherington, Richard R. Hough, Harry S. Howard, Jr., Lawrence Lachman, William H. Moore, David C. Scott, Martha Redfield Wallace, William S. Woodside.

Business Activities: Operates in three principal business segments: container and packaging, consumer products/distribution, and resource recovery and chemicals. Through its Sam Goody subsidiary, operates a chain of record and consumer audio stores located in the metropolitan New York area, New Jersey, Connecticut, Pennsylvania and North Carolina. Another subsidiary, Pickwick International, Inc., is a major distributor, rack merchandiser, producer and retailer of records and tapes. The Fingerhut Corporation is engaged in direct mail merchandising.

Retail Subsidiaries:

Pickwick International, Inc.
Minneapolis, Minnesota
Merchandising and retailing of records and tapes.

Sam Goody, Inc.
Maspeth, New York
Chain of record and consumer audio stores

Fingerhut Corporation (November, 1978)
Minnetonka, Minnesota
Engaged in the business of direct mail merchandising.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: AC

Number of Stores: (at fiscal year end)

1979	436	1977	268
1978	386		

Sales and Earnings

	Net Sales	Net Income †
1979	$4,515,000,000	$127,300,000
1978	3,981,000,000	105,600,000
1977	3,441,700,000	114,000,000
1976	2,991,500,000	100,900,000
1975	2,841,900,000	85,400,000

	No. of Com. Shares ‡	Earn. per Share †‡
1979	19,321,000	$6.44
1978	19,284,000	5.32
1977	19,278,000	5.76
1976	19,202,000	5.10
1975	19,092,000	4.32

† Including extraordinary loss of $14,000,000 ($0.73 per share) in 1978.
‡ Based on the weighted average number of common shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Container & packaging	$ 2,381,700	$ 2,232,100
Consumer prods./dist.	1,541,900	1,253,100
Resource recovery & chem.	505,800	401,300
Other	85,600	94,500
Total	$ 4,515,000	$ 3,981,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.825	—	—
1978	2.725	—	—
1977	2.475	—	—
1976	2.30	—	—
1975	2.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$1,016,700,000	$52.61
1978	946,200,000	49.03
1977	894,300,000	46.39
1976	828,600,000	43.15

‡ After allowing for preferred stock at par value.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 4,515,000	$ 3,981,000
Cost of sales	3,583,600	3,217,300
Expenses	688,100	522,700
Interest expense	23,000	18,500
Income before taxes	$ 220,300	$ 222,500
Income taxes	93,000	102,900
Net Income	$ 127,300	$ 119,600
Extraord. charge	—	(14,000)
Net Income & Extraord. charge	$ 127,300	$ 105,600

* Included in Costs and Expenses, Depreciation: $95,700,000 in 1979 and $96,700,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 33,900	$ 16,300
Short-term investments	56,500	129,200
Accts. and notes receiv., net	623,700	575,100
*Inventories	699,000	652,600
Inc. tax benefits	48,900	46,700
Current Assets	$ 1,462,000	$ 1,419,900
#Fixed assets	1,063,700	914,500
Other assets	156,700	143,700
Total Assets	$ 2,682,400	$ 2,478,100

Liabilities
(000's)

	1979	1978
Short term & long-term debt. curr.	$ 72,400	$ 74,500
Accts. payable	393,200	327,700
Accruals	139,900	105,900
Dividends payable	14,700	14,200
Income taxes	64,900	72,500
Est. plant clos.	22,900	18,000
Other liabilities	114,900	99,400
Curr. Liabilities	$ 822,900	$ 712,200
Long-term debt	493,400	475,000
Emp. benefits related to plant clos.	135,200	139,400
Deferred inc. taxes	127,900	120,000
Other liab.	44,800	43,800
+ Preferred stock	41,500	41,500
+ + Common stock	244,400	243,900
Add. paid-in capital	14,700	14,100
Earnings reinvested in business	767,300	697,500
Treasury stock	(9,700)	(9,300)
Total Liabilities & Shareholders' Equity	$ 2,682,400	$ 2,478,100

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation.
+ $25 par value.
+ + $12.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.88	5.59
%Net Income to Sales	2.82	3.00
%Net Income to Equity	12.03	12.11
Sales to Inventories	6.46	6.10
Working Capital	$ 639,100,000	$ 707,700,000
Current Ratio	1.78	1.99
Shareholders' Equity	$1,058,200,000	$ 987,700,000

American Stores Company

One Rollins Plaza
Wilmington, Delaware 19803
(302) 571-8733

Also at:

P.O. Box 27447
709 East South Temple
Salt Lake City, Utah 84127
(801) 539-0112

Officers: L.S. Skaggs, chairman of the board, president & chief executive officer; William R. Deeley, John Hartman, vice chairmen; Richard L. Shanaman, Thomas H. Sunday, executive v.p.'s; Scott Bergeson, Lester G. Jones, Victor L. Lund, James K. Robinson, Jr., v.p.'s; John W. Edstrom, v.p. & secretary; John G. Fuller, v.p. & treasurer; C. Herbert Fry, v.p. & controller.

Directors: William R. Deeley, Thomas W. Field, Jr., Williford Gragg, John Hartman, R.E. Heckert, L. Spry Kelly, A.B. Kesler, Jr., Peter F. McGoldrick, Mitchell Melich, L. Tom Perry, Isadore M. Scott, E.A. Sinclair, L.S. Skaggs, Thomas H. Sunday, J.J. Wagner.

Business Activities: Operates self-service supermarkets under the name of Acme Markets in Delaware, Maryland, New Jersey, New York, Pennsylvania, Virginia and West Virginia. Subsidiaries also manufacture and process food for sale in these supermarkets and Alpha Beta Stores in California and Arizona. Also operates Rea and Derick Drug Stores in Pennsylvania, New York, and Maryland. Operates Skaggs' drug centers, 197 super drug stores in 21 states.

Merger: On July 26, 1979, American Stores Company merged with Skaggs Companies, Inc. Skaggs is engaged principally in the operation of super drug centers and combination drug/food supercenters in 21 western, midwestern and southwestern states.

Divisions & Subsidiaries:

Acme Markets, Inc.
124 North 15th Street
Philadelphia, Pennsylvania 19101
(215) 568-3000

Alpha Beta Company
777 South Harbor Boulevard
La Habra, California 90631
(714) 738-2000

Rea and Derick, Inc.
Fifth and Orange Streets
Northumberland, Pennsylvania 17857
(717) 473-3511

Skaggs Companies, Inc.
P.O. Box 30658
Salt Lake City, Utah 84130
(801) 487-4531

Transfer Agent(s):

United California Bank
Trust Division
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): New York, Philadelphia, Pacific

Ticker Symbol: ASC

Number of Stores: (at fiscal year end)

	Supermarkets	Drug Centers
1980	681	197
1979	760	—
1978	754	—
1977	760	—

American Stores Company

	Drug Stores	Restaurants	Dept Stores
1980	135	46	3

Sales and Earnings‡

	Net Sales (000's)	Net Income (000's)
1980*	$ 3,786,332	$ 44,434
1979	1,089,909	25,043
1978	899,772	19,674
1977	782,444	16,438
1976*	625,688	12,703

	No. of Com. Shares ≠	Earn. per Share ≠
1980*	8,844,000	$4.36
1979	7,976,000	3.14
1978	7,976,000	2.47
1977	7,821,000	2.10
1976*	7,424,000	1.71

* 53 weeks.
‡ Restated to reflect merger.
≠ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.725	—	—
1978	0.60	—	—
1977	0.50		
1976	0.40		—

Common Stock Equity‡

	Total Equity	Equity Per Share +
1980	$214,137,000	$24.21
1979	137,714,000	17.27
1978	118,367,000	14.84

‡ Restated to reflect merger.
+ Based on the average number of shares outstanding.

Income Account*
(000's)

Year ended	2/2/80 (53 weeks)	12/28/78‡
Net sales	$ 3,786,332	$ 1,089,909
Cost of sales	2,926,123	810,063
Expenses	762,736	228,462
Interest expense	34,852	6,289
Other income	(11,283)	(2,708)
Income before taxes	$ 73,904	$ 47,803
Income taxes	29,470	22,760
Net Income	$ 44,434	$ 25,043

* Included in Costs and Expenses. Depreciation and Amortization: $40,184,000 in 1979 and $11,285,000 in 1978.
‡ Restated to reflect merger.

Assets
(000's)

As of	2/2/80	12/28/78‡
Cash	$ 37,552	$ 18,959
Temp. invest.	15,841	—
Receiv., net	32,941	4,627
*Inventories	495,177	146,947
Prepaid expenses	22,603	2,211
Prop. for develop. & sales	7,939	—
Current Assets	$ 612,053	$ 172,744
≠Fixed assets	415,229	73,468
Prop. under cap. lease	144,876	51,666
Other assets	25,415	3,408
Deferred inc. taxes	4,361	3,087
Total Assets	$ 1,201,934	$ 304,373

Liabilities
(000's)

Long-term debt, curr.	$ 36,187	$ 460,000
Cap. lease oblig., surr.	9,074	2,097
Accounts payable	276,231	60,289
Accruals	112,525	25,622
Income taxes	14,459	8,545
Construction loan	2,241	—
Curr. Liabilities	$ 450,717	$ 97,013
Long-term debt	230,423	10,946
Cap. lease oblig.	169,306	58,264
Other liabilities	19,241	436
+. Redeem. Pref. Stock	118,110	
+Common stock	10,001	7,987
Add. paid-in capital	96,273	47,903
Retained earnings	113,814	82,003
Treasury stock	(5,951)	(179)
Total Liabilities & Shareholders' Equity	$ 1,201,934	$ 304,373

‡ Restated to reflect merger.
* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.95	4.39
%Net Income to Sales	1.17	2.30
%Net Income to Equity	20.75	18.18
Sales to Inventories	7.65	7.42
Working Capital	$161,336,000	$ 75,731,000
Current Ratio	1.36	1.78
Shareholders' Equity	$214,137,000	$137,714,000

Ames Department Stores, Inc.

2418 Main Street
Rocky Hill, Connecticut 06067
(203) 563-8234

Officers: Milton Gilman, chairman of the board; Irving Gilman, vice chairman of the board; Herbert Gilman, president; Morris Crosky, sr. exec. v.p., secretary & general counsel; Michael Leavitt, exec. v.p.; John Edwards, sr. v.p. & general merchandise mgr.; Kenneth H. Cooper, sr. v.p.-store operations; Ephram Libbin, vice president & treasurer; vice presidents: Fred Perlstein-advertising & sales promotion, Lawrence H. Goferg-hardgoods merchandising, Joseph J. Penna-personnel, Irving Sherman-wholesale operations, Gerald Glassman-admin. & planning & asst. secretary, Earl Spector-real estate, asst. secretary & asst. counsel, Royal L. Clark-store operations, Stuart Shapiro-corporate development, Sidney Lubar-soft goods merchandising; asst. v.p.'s: Richard Carty-finance, Robert C. Brusa-construction, Eugene G. Senecal-data processing & information systems, Abraham Cole-merchandise control, Romas Butrimas-controller & asst. treasurer, Richard Portfolio-advertising, Brendan Fraher-internal audit, Henry Sobinski-loss prevention.

Directors: Irving Gilman, Herbert Gilman, Milton Gilman, Michael Leavitt, Morris Crosky, James A. Harmon, Paul Sigel, Melvin M. Rosenblatt, Ralph M. Shulansky.

Business Activities: Operates a chain of department stores in Massachusetts, Vermont, New Hampshire, Maine, New York, Maryland, Indiana, New Jersey, Delaware, Pennsylvania, Virginia and North Carolina. Also engages in the distribution of automotive supplies, hardware and accessories.

Subsidiaries:

Joseph Leavitt Corp.
USS Industrial Park
1062 Millburn Street
Box 1637 St. C
Worcester, Massachusetts 01607
(617) 757-6341
Distribution of automotive supplies, hardware and accessories.

K & R Warehouse Corp.
USS Industrial Park
1062 Millburn Street
Box 1637 St. C
Worcester, Massachusetts 01607
(617) 757-6341
Distributor of automotive supplies, hardware and accessories.

Acquisition(s):

Neisner Brothers, Inc. (November 16, 1978)
49 East Avenue
Rochester, New York
General merchandise retailer.

Mathews and Boucher, Inc.
Rochester, New York
Sporting goods wholesaler.

Younkin Sports Supply
Tampa, Florida
Sporting goods wholesaler.

Davis Wholesale Company (January 29, 1978)
Canton, Ohio
Distributor of housewares, gift items and paint sundries.

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): New York

Ticker Symbol: ADD

Number of Stores: (at fiscal year end)

1980	122	1977	68
1979	129	1976	57
1978	72		

Sales and Earnings

	Net Sales	Net Income
1980	$292,469,000	$ 8,226,000
1979	210,877,000	6,260,000
1978	168,131,000	5,109,000
1977	151,741,000	4,556,000
1976*	118,718,000	3,178,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,527,000	$3.16
1979	2,497,000	2.47
1978	2,479,000	2.06
1977	2,464,000	1.85
1976*	2,553,000	1.25

* 53 weeks.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.40	10%	—
1979	0.40	—	5-for-4
1978	0.32		—
1977	0.19	—	—
1976	0.08	—	—

+ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 39,956,000†	$15.81
1979	32,784,000†	13.09
1978	28,704,000	11.57
1977	24,253,000	9.84

† After allowing for preferred stock at liquidation preference.
+ Adjusted to reflect stock dividend and stock split.

Income Account
(000's)

Year ended	1/26/80	1/27/79
Net sales	$ 292,469	$ 210,877
Other income	6,558	3,995
Total income	$ 299,027	$ 214,872
Cost of sales	201,038	145,147
Expenses	77,594	52,103
Depreciation & amortization	2,878	2,426
Interest expense	3,639	2,855
Income before taxes	$ 13,878	$ 12,341
Income taxes	5,652	6,081
Net Income	$ 8,226	$ 6,260

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 613	$ 3,639
Restricted cash	180	4,439
Cert. of deposit & oblig.	18,500	6,450
Receiv., net	4,550	5,961
* Inventories	60,839	57,077
Prepaid expenses	2,252	2,688
Current Assets	$ 86,934	$ 80,254
≠ Fixed assets	29,434	26,348
Other assets & defer. charges	615	540
Deferred tax benefits	1,732	840
Total Assets	$ 118,715	$ 107,982

Liabilities
(000's)

Long-term debt, curr.	$ 2,459	$ 1,952
Accts. payable	17,203	12,297
Accruals	7,518	7,101
Income taxes	1,293	663
Dividends payable	304	293
Curr. Liabilities	$ 28,777	$ 22,306
Long-term debt	9,513	10,393
Cap. lease oblig.	20,356	20,860
Deferred compensation	1,453	526
Non-curr. maturities of liab.	8,285	9,218
Exc. of acq. assets over value	7,261	8,089
+ Preferred stock	3,114	3,806
+ + Common stock	1,258	1,138
Add. paid-in capital	8,857	5,972
Retained earnings	29,841	25,674
Total Liabilities & Shareholders' Equity	$ 118,715	$ 107,982

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ No par value: $22 stated value: $1.50 cumulative convertible.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.75	5.85
%Net Income to Sales	2.81	2.97
%Net Income to Equity	19.10	17.11
Sales to Inventories	4.81	3.69
Working Capital	$ 58,157,000	$ 57,948,000
Current Ratio	3.02	3.60
Shareholders' Equity	$ 43,070,000	$ 36,590,000

Amfac, Inc.

700 Bishop Street
Honolulu, Hawaii 96813
(808) 945-8111

Mailing address:

P.O. Box 3230
Honolulu, Hawaii 96801

Officers: Henry A. Walker, Jr., chairman, president & chief executive officer; Ronald C. Barr, John L. Baxter, Jr., John W. Siemer, Donald C. Onasch, Robert Z. Rostron, J.P. Richardson, exec. v.p.'s; Harry W. Brooks, Jr., sr. v.p. & dir.-public affairs; Ronald R. Sloan, sr. v.p.-dir. administration; Richard A. Hagberg, sr. v.p. & chief financial officer; Richard M. Brooks, sr. v.p.-finance & chief financial officer; Thomas R. d'Arcambal, sr. v.p., controller & chief accounting officer; Daniel A. Curry, sr. v.p. & general counsel; Helen P. Goldsmith, Frederick J. Murata, Alan O. Schultz, Lawrence P. Perry, Teller Weinmann, Paul S. Sakuda, Mervin F. Gilliland, Karen H. Iwamoto, Grafton Jhung, vice presidents; Charleen K. Ikeda, v.p. & secretary; Vivek Hejmadi, v.p. & treasurer; Ralph F. Perry, Jr., asst. v.p.; Eleanor A. Elrod, Kenneth A. Odell, asst. v.p.'s, asst. general counsels & asst. secretaries; Toby B. Gilje, asst. v.p. & asst. to chman.; Don W. Leibensberger, asst. v.p.'s & asst. treasurer dir., tax services; Barbara Wilson, asst. v.p. & asst. secretary; Harry Matte, asst. v.p., dir. public relations; Thomas L. Braje, Gerald K. Harbottle, asst. controller; John E. Loomis, Beatrice K. Tanaka, G. Eric Lonnquist, asst. secretaries; William A. Kruse, asst. treasurer.

Directors: Kenneth F. Brown, Daggett Harvey, Jr., Ralph T. Yamaguchi, Charles de Bretteville, Mary Anne Normandin, Richard L. Griffith, John J. Hyland, Patricia Saiki, Chauncey E. Schmidt, E. Laurence Gay, Richard B. Madden, Fred W. Bennion, Myron DuBain, Henry A. Walker Jr., Lyle L. Guslander.

Business Activities: Retail operations include the Liberty House department stores and resort shops, and Kauai Stores, a single unit department store. Liberty House department stores in Hawaii, California, and Reno, Nevada feature merchandise in the medium to higher price ranges. Liberty House resort shops emphasize Polynesian and resort apparel. Some stores have limited men's, subteens' and children's wear departments. Also operates resorts, hotels, restaurants, travel and tour agencies, property development companies, sugar companies, wholesale nurseries, food processing companies, financial services companies, and distributes pharmaceutical and health care products, electrical and mechanical supplies, building materials, machinery and equipment.

Divisions & Subsidiaries:

Retail
Amfac Merchandising Corporation
San Francisco, California

Liberty House of California
Operates department stores in California, and Reno, Nevada.

Liberty House, Inc.
Honolulu, Hawaii
Department, resort and specialty stores in Hawaii.

Kauai Stores, Ltd.
Department store in Hawaii.

Agriculture
Puna Sugar Company, Ltd.
Grower and processor of sugar cane.

Puna Papaya
Grower and processor of papaya.

Kekaha Sugar Company, Ltd.
Grower and processor of sugar cane.

Amfac Nurseries, Inc.
Amfac Nurseries (Hawaii)

Glenn Walters Nursery

Select Nurseries

Jenco Nursery

The Lihue Plantation Company, Ltd.
Grower and processor of sugar cane.

Kauai Sugar Storage Corp.

Pioneer Mill Company, Ltd.
Grower and processor of sugar cane.

Oahu Sugar Company, Ltd.
Grower and processor of sugar cane.

Food
Amfac Foods, Inc.
Portland, Oregon

Fisher Cheese Company, Inc.
A producer of natural, process and non-dairy cheeses.

Lamb-Weston, Inc.
Processor of frozen potato, fruit and vegetable products in Oregon, Washington and Idaho.

Monterey Mushrooms
Grower and processor of mushrooms.

Pacific Pearl Seafoods, Inc.
Processor of frozen and canned Alaska crab and shrimp.

Amfac Aquatech
Production of oysters and aquaculture research.

Hotels and Resorts
Amfac Hotels and Resorts, Inc.
Hotel, restaurant and resort operations.

Island Holidays, Ltd.
Hotel, restaurant, resort, travel, tour and golf course operations in Hawaii and California.

Distribution
Amfac Distribution Corporation
Burlingame, California

Amfac Electric Supply Company, Ltd.
Electrical supplies distribution branches in California, Nevada, Colorado, Texas, Oklahoma, Washington, Arizona and Idaho.

Amfac Distribution Company, Ltd.-Pacific
Electrical supplies, machinery, appliances, pharmaceutical and hospital supplies distribution in Hawaii.

Amfac Drug Supply Co.
Pharmaceutical distribution branches.

Amfac Mechanical Supply Co.
Plumbig hardwre and industrial supplies branches in Alaska and Montana.

Construction Materials Hawaii
Construction and building materials branches in Hawaii.

Property
Amfac Financial, Inc.
Honolulu, Hawaii

Amfac Financial Services Corp.
Diversified financial services in Hawaii.

Amfac Mortgage Corporation
Mortgage banking.

Amfac Property Corp.

Amfac Properties, Inc.
Home building; property management.

Amfac Communities, Inc.
Management and development of residential, commercial, industrial and resort properties in California and Oregon.

Transfer Agent(s):

Bishop Trust Co., Ltd. (Common, $2.50 Cum. Conv. preferred and Series B, $1.00 Cum. Conv. preferred stock)
140 South King Street
Honolulu, Hawaii 96813

The Chase Manhattan Bank (common stock)
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): New York, Honolulu, Pacific.

Ticker Symbol: AMA

Amfac, Inc.

Number of Stores: (at fiscal year end)

1979	45	1976	52
1978	42	1975	49
1977	53		

Sales and Earnings

	Revenues + (000's)	Net Income (000's)
1979	$ 1,689,496	$ 56,370
1978	1,500,708	42,374
1977	1,322,107	15,145
1976	1,167,757	17,517
1975	1,057,056	18,759

	No. of Com. Shares	Earn. per Share ≠
1979	12,844,026	$4.21
1978	12,383,000	3.27
1977	12,328,000	1.15
1976	11,724,000	1.41
1975	11,244,000	1.58

+ Of continuing operations only.
≠ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Food	$ 326,757	20%	$ 313,493	21%
Distribution	747,000	44	605,919	40
Hospitality	190,560	11	175,085	12
Retail	257,781	15	258,875	17
Agriculture	130,788	8	111,624	8
Asset Management	33,035	2	33,760	2
Corporate	3,575	—	1,952	—
Total	$1,689,496	100%	$1,500,708	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.20	—	
1978	1.00	—	
1977	1.00	—	—
1976	1.00	—	
1975	1.00	—	

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$377,959,000	$29.43
1978	332,366,000	26.84
1977	303,725,000	24.64

‡ After allowing for preferred stock at involuntary liquidation values.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Revenues	$ 1,689,496	$ 1,500,708
Cost of sales	1,165,170	1,038,049
Expenses	371,730	333,558
Depreciation & amortization	35,865	32,816
Interest expense	30,656	30,575
Income before taxes	$ 86,075	$ 65,710
Income taxes	34,300	26,500
Minority interest	4,595	3,164
Net Income	$ 56,370	$ 42,374

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 20,820	$ 28,632
Receiv., net	243,120	202,248
*Inventories	285,681	236,406
Prepaid expenses	16,663	13,083
Current Assets	$ 566,284	$ 480,369
Investments	30,902	56,702
≠Fixed assets	439,285	391,167
Long-term notes receiv.	28,386	23,042
Other assets	7,101	5,205
Total Assets	$ 1,071,958	$ 956,485

Liabilities
(000's)

	1979	1978
Note payable	$ 17,907	$ —
Long-term debt, curr.	11,501	12,771
Accts.-payable & accruals	190,916	159,370
Income taxes	34,943	45,363
Curr. Liabilities	$ 255,267	$ 217,504
Long-term debt	364,913	343,535
Deferred credits	9,036	3,607
Deferred inc. taxes	40,230	34,770
+ Preferred stock:		
$2.50	610	610
Series B $1	14,237	14,328
+ + Common Stock	93,948	91,984
Retained earnings	293,840	250,270
Treasury stock	(123)	(123)
Total Liabilities & Shareholders' Equity	$ 1,071,958	$ 956,485

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ No par value, cumulative convertible.
+ + No par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Revenues	5.09	4.38
%Net Income to Revenues	3.34	2.82
%Net Income to Equity	14.00	11.87
Working Capital	$311,017,000	$262,865,000
Current Ratio	2.22	2.21
Shareholders' Equity	$402,512,000	$357,069,000

Angelica Corporation

10176 Corporate Square Drive
Suite 100
St. Louis, Missouri 63132
(314) 991-4150

Officers: Willard L. Levy, chairman of the board; John D. Levy, vice chairman of the board; Leslie F. Loewe, president & chief executive officer; Earl F. Neely, exec. v.p., chief operating officer & chief financial officer; Stanley A. Weiser, sr. v.p.-corporate marketing, chief marketing officer; Vincent A. Esposito, v.p. & chief operating officer-Linen Systems Group; Allyn J. Aach, Stephen L. Abelov, v.p.'s; Stuart Case, v.p. & chief operating officer-Environmentals; Joseph R. Wolf, v.p.-industrial relations; Robert M. Baker, treasurer-secretary; Lawrence J. Young, Thomas C. Treeger, v.p.'s; Lawrence A. Thayer, controller; Linden Mann, asst. secretary; Nancy L. Rider, asst. secretary & house counsel.

Directors: Maurice R. Chambers, Robert Gordon, Edwin S. Jones, John D. Levy, Lee M. Liberman, Willard L. Levy, Richard A. Meyer, Elliot H. Stein, Robert C. West, Joseph H. Vatterott.

Divisions & Subsidiaries:

Angelica Uniform Group Division
700 Rosedale Avenue
St. Louis, Missouri 63112
(314) 889-1111
Designs, manufactures, warehouses and markets a line of washable and tailored non-washable vocational attire.

Angelica-Whitewear Ltd.
5650 Iberville Street
Montreal, Quebec, H2G 3E4 Canada
(514) 271-4671
Designs, manufactures, warehouses and markets vocational apparel.

Kansas City White Goods Division
1819 Baltimore Avenue
Kansas City, Missouri 64108
(816) 421-7400
Markets, primarily by mail, a range of institutional textile products, including surgical specialty textiles, garments and hospital linens, some of which are self-manufactured.

Unitex Products Division
70th & Lindbergh Boulevard
Philadelphia, Pennsylvania 19142
(215) 365-7400
Manufactures and converts non-woven textile disposable items for specialized medical, industrial and institutional purposes.

Retail Group
Life Uniform Shops
10176 Corporate Square Drive
St. Louis, Missouri 63132
(314) 991-4150
Operates a nationwide chain of specialty stores selling a full line of uniforms, shoes and related accessories to individuals at retail.

Rental Services Group
Environmentals Incorporated
505 North Euclid Avenue
Anaheim, California 92801
(714) 535-2242
Provides delivery and cleaning on a rental basis of surgical specialty textiles, garments and hospital linens.

Specialized Linen Services, Inc.
2318 Forest Avenue
Kansas City, Missouri 64108
(816) 421-2622
Provides textile products on a rental basis to food service, lodging, educational and medical institutions.

Linen Systems Group
311 Turner Street
Utica, New York 13501
(315) 797-0530
Provides rental and laundry services of hospital linens and uniforms to hospitals; also provides linen usage cost control system.

Southern Service Company
309 E. Commercial Street
Pomona, California 91767
(714) 622-1214

Transfer Agent(s):

St. Louis Union Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: AGL

Number of Stores: (at fiscal year end)

1980	140	1977	150
1979	160	1976	142
1978	162		

Sales and Earnings

	Net Sales +	Net Income
1980	$165,840,802	$ 6,991,027
1979	144,878,786	5,548,674

1978	135,348,959	5,360,916
1977	114,127,455	4,908,571
1976	102,190,032	3,701,151

	No. of Com. Shares	Earn. per Share ‡
1980	6,143,027	$1.14
1979	6,173,027	0.90
1978	6,173,027	0.87
1977	6,143,027	0.80
1976	6,143,027	0.60

+ Includes rental service revenues.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1980	1979
Manufacturing & marketing	$ 85,737,000	$ 77,463,000
Rental serv.	62,066,000	46,830,000
Retail sales	22,095,000	24,982,000
Intersegment	(4,057,000)	(4,396,000)
Total	$165,841,000	$144,879,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.33	—	—
1979	0.30	—	—
1978	0.255	—	—
1977	0.15	—	—
1976	0.12	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 57,482,772	$9.37
1979	52,534,162	8.56
1978	48,843,532	7.96
1977	45,064,098	7.35
1976	41,091,703	6.70

‡ After allowing for preferred stock and Class A preferred stock at liquidation value of $100 per share.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$103,774,763	$ 98,049,006
Service revenues	62,066,039	46,829,780
Total revenues	$165,840,802	$144,878,786
Cost of sales	71,748,323	67,077,834
Cost of services	44,935,002	33,633,229
Expenses	34,274,352	31,423,129
Other charges	1,592,098	1,210,920
Income before taxes	$ 13,291,027	$ 11,533,674
Income taxes	6,300	5,985,000
Net Income	$ 6,991,027	$ 5,548,674

* Included in Costs and Expenses. Depreciation: $3,094,542 in 1980 and $2,481,581 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 956,857	$ 1,006,149
Investments	4,766,616	150,000
Long-term notes receiv., curr.	299,600	241,688
Receiv., net	25,181,819	22,950,706
*Inventories	34,361,241	34,216,997
Prepaid expenses	1,080,092	1,495,138
Linens in service	7,936,489	6,974,044
Current Assets	$ 74,582,714	$ 67,034,722
# Fixed assets	19,508,892	19,925,116
Other assets	4,434,186	4,975,460
Cap. leased prop.	1,303,299	1,150,933
Total Assets	$ 99,829,091	$ 93,086,231

Liabilities

Notes payable	$ —	$ 5,418,300
Long-term debt & cap. lease oblig., curr.	307,005	3,694,837
Due South. Ser. Co. shareholders	280,200	1,194,300
Accts. payable	5,237,809	5,768,546
Accrued payroll	3,[illegible]69,205	3,076,624
Accruals	1,373,996	1,207,664
Income taxes	996,601	1,038,138
Deferred inc. taxes	1,119,800	1,406,800
Curr. Liabilities	$ 12,784,616	$ 22,805,209
Long-term debt & cap. lease oblig.	24,758,912	13,730,530
Deferred compensation	2,563,523	1,990,662
Deferred inc. taxes	1,884,868	1,671,268
+ Preferred stock	286,300	286,300
+ + Class A Preferred stock	681	681
+ + + Common stock	6,143,027	6,143,027
Add. paid-in capital	959,593	959,593
Retained earnings	50,447,571	45,498,961
Total Liabilities & Shareholders' Equity	$ 99,829,091	$ 93,086,231

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value, 5% cumulative.
+ + $1 stated value, convertible.
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.01	11.76
%Net Income to Revenues	4.22	3.83
%Net Income to Equity	12.09	10.49
Working Capital	$ 61,798,098	$ 44,229,513
Current Ratio	5.83	2.94
Shareholders' Equity	$ 57,837,172	$ 52,888,562

Arden Group, Inc.

(formerly Arden-Mayfair, Inc.)

5900 South Eastern Avenue
Los Angeles, California 90040
(213) 685-5220

Officers: Curtis H. Palmer, chairman of the board; Bernard Briskin, president & chief executive officer; Milton H. Barker, Marvin E. Ford, v.p.'s; Anne Pearson, asst. secretary; Loras R. Steger, R. James Royal, asst. secretaries & asst. treasurers.

Directors: Bernard Briskin, Chester I. Lappen, Philip L. Carret, Thomas L. Karsten, Frederick A. Schnell, Anson I. Dreisen, Curtis H. Palmer, Stuart A. Krieger, Daniel Lembark, Ben Winters.

Business Activities: Principally a food processing and distribution company which operates a chain of supermarkets in the western United States.

Divisions & Subsidiaries:

Mayfair Market Division
Operates markets in California, Arizona, Nevada, Washington and Oregon under the following names: Mayfair, El Rancho, Low Cost and A & M.

Arden Farms Dairy Division
Engaged in the sale and distribution of milk, cream, ice cream, frozen dairy products, butter, oleomargarine, eggs, cottage cheese, and other related food products.

Gelson's Markets
Two chains consisting of six retail outlets specializing in high-quality merchandise; stores are located in West Los Angeles, the San Fernando Valley and Newport Beach, California.

Telautograph Corporation
Primarily engaged in the manufacture, lease, and sale of communication equipment and supplies which are used for the instantaneous transmission of messages to remote locations. Its GPS Division manufactures chemicals and equipment for the maintenance of swimming pools. This subsidiary accounted for approximately 3% of consolidated sales in 1976.

Transfer Agent(s):

City National Bank
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ARDN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	105	1976	110
1978	108	1975	122
1977	97		

Sales and Earnings †

	Net Sales	Net Income +
1979	$460,479,000	$ 3,467,000
1978	448,807,000	15,832,000
1977	407,609,000	1,434,000
1976	450,140,000	(3,405,000)
1975*	571,629,000	(1,420,000)

	No. of Com. Shares	Earn. per Share + #
1979	3,523,023	$0.80
1978	4,077,823	3.77
1977	4,027,813	0.25
1976	3,467,813	—
1975	3,467,813	—

(Loss)
* 53 weeks.
+ Including extraordinary gains of $1,370,000 ($0.35 per share) in 1979, $15,053,000 ($3.70 per share) in 1978, and $679,000 ($0.17 per share) in 1977.
† Restated to reflect capitalization of leases.
# Based on the average number of shares outstanding.

Preferred Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.12½	—	—

Common Stock Equity †

	Total Equity +	Equity Per Share
1979	$ 22,326,935	$ 6.78
1978	21,424,603	5.25
1977	10,355,111	1.51
1976	8,894,925	1.16
1975	12,859,101	2.27

+ After allowing for preferred stock at liquidation value.
† Restated to reflect capitalization of leases.

Income Account *†

Year ended	12/29/79	12/30/78
Net sales	$460,479,105	$448,807,392
Cost of sales	335,202,890	330,542,246
Expenses	120,103,167	114,604,566
Gain on sale of assets	(2,720,881)	(1,715,610)
Interest expense	4,335,871	3,685,494
Income bef. taxes	$ 3,558,058	$ 1,690,696
Income taxes	1,461,000	912,000
Net Income	$ 2,097,058	$ 778,696
Extraordinary gain	1,370,000	15,052,932
Net Income & extraord. gain	$ 3,467,058	$ 15,831,628

* Included in Costs and Expenses. Depreciation: $6,496,470 in 1979 and $5,754,676 in 1978.
† Restated to reflect capitalization of leases.

Assets †

As of	12/29/79	12/30/78
Cash	$ 2,330,593	$ 2,031,941
Accts. & notes receiv., net	8,655,245	10,273,973
Investments	340,084	1,482,971
* Inventories	32,398,306	29,468,982
Prepaid expenses	1,041,068	1,008,386
Current Assets	$ 44,765,296	$ 44,266,253
Investments	5,306,178	5,646,262
Notes & contracts receiv.	4,293,193	5,012,197
Prop. for sale	5,085,056	5,201,656
≠ Fixed assets	46,928,147	40,525,902
Other assets	4,531,012	4,743,520
Total Assets	$110,908,882	$105,395,790

Liabilities

Accts. payable & accruals	$ 33,637,000	$ 32,733,144
Long-term debt	3,883,668	3,040,797
Curr. Liabilities	$ 37,520,668	$ 35,773,941
Long-term debt	39,281,662	36,177,362
Deferred income	812,268	766,511
Reserves	494,449	878,873
Deferred taxes	740,000	740,000
+ Preferred stock	2,433,225	2,408,625
+ + Common stock	1,194,331	1,148,605
Add. paid-in capital	39,430,338	39,366,050
Deficit	(1,424,211)	(4,891,269)
Treasury stock	(9,573,848)	(6,972,908)
Total Liabilities & Shareholders' Equity	$110,908,882	$105,395,790

† Restated to reflect capitalization of leases.
* At lower of cost (FIFO, average or retail method) or market.
≠ Less accumulated depreciation and amortization.
+ No par value; $40 stated value, $3 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.77	0.38
%Net Incom to Sales	0.46	0.17
%Net Income to Equity	6.54	2.51
Sales to Inventories	14.21	15.23
Working Capital	$ 7,244,628	$ 8,492,312
Current Ratio	1.19	1.24
Shareholders' Equity	$ 32,059,835	$ 31,059,103

Arnold Constable Corporation

1 West 39th Street
New York, New York 10018
(212) 685-2300

Officers: Merwin Bayer, president & chief executive officer; Maurice Lehrman, treasurer; Lorraine Tozzo, secretary.

Directors: Merwin Bayer, Aaron Kozak, Steven J. Osterweis, Bruce M. Schragger, Irving L. Straus, Sidney R. Winters.

Business Activities: Operates a chain of specialty stores in regional shopping centers, under the name of NoName Stores, Inc. and Garment District.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	51	1976	20
1978	40	1975	15
1977	31		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 13,377,797	$ (63,873)
1979	11,572,495	710,893
1978	9,473,171	661,487
1977	7,025,001	230,867
1976	8,586,998	313,359

	No. of Com. Shares +	Earn. per Share + ‡
1980	747,392	$ –
1979	612,974	1.02
1978	475,044	1.20
1977	469,724	0.25
1976	469,724	0.43

( ) Loss
‡ Including extraordinary gains of $326,000 ($0.53 per share) in 1979, $302,000 ($0.63 per share) in 1978, $96,000 ($0.20 per share) in 1977 and $137,000 ($0.29 per share) in 1976.
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 1,805,958	$2.42
1979	1,365,363	2.23
1978	639,470	1.35

+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended	1/26/80	1/27/79
Net sales	$ 13,377,797	$ 11,572,495
Other income		309,027
Total income	$ 13,377,797	$ 11,881,522
Cost of sales	9,881,580	8,142,319
Expenses	3,396,244	2,808,336
Interest expense	155,846	141,971
Loss from dispos. of rights		52,003
Income (loss) before taxes	$ (55,873)	$ 736,893
Income taxes	8,000	352,000
Net Income (Loss)	$ (63,873)	$ 384,893
Extraord. gain		326,000
Net Income (Loss) & extraord. gain	$ (63,873)	$ 710,893

* Included in Costs and Expenses, Depreciation and Amortization: $260,600 in 1980 and $215,952 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 418,823	$ 163,226
Comm. paper	200,000	
Accts. receiv., net	168,486	183,808
Note receiv.	66,380	80,000
* Inventories	1,153,131	1,364,364
Prepaid expenses	81,060	98,486
Current Assets	$ 2,087,880	$ 1,889,884
≠ Fixed assets	1,801,550	1,439,596
Other assets	20,977	102,582
Leasehold costs	39,661	36,897
Total Assets	$ 3,950,070	$ 3,468,959

Liabilities

Note payable	$ 112,199	$ 20,339
Accts. payable	1,100,935	220,578
Accruals	446,921	666,623
Curr. Liabilities	$ 1,660,055	$ 907,540
Long-term debt	459,057	396,056
+ Preferred stock	25,000	800,000
+ + Common stock	455,964	308,481
Add. paid-in capital	5,258,183	4,901,198
Deficit	(3,888,249)	(3,824,376)
Treasury stock	(19,940)	(19,940)
Total Liabilities & Shareholders' Equity	$ 3,950,070	$ 3,468,959

* At lower of cost (retail method) or market.
≠ Less accumulated depreciation.
+ No par value, $11 Cumulative Convertible.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	–	6.37
% Net Income to Sales	–	3.33
% Net Income to Equity		28.19
Sales to Inventories	11.60	8.48
Working Capital	$ 427,825	$ 982,344
Current Ratio	1.26	2.08
Shareholders' Equity	$ 1,805,958	$ 1,365,363

Askin Service Corporation

459 West 15th Street
New York, New York 10011
(212) 691-3888

Officers: Gerald S. Berger, president & treasurer; R. Paul Sprague, chairman; Nathan Jacobs, Gerald Goldstein, vice presidents; Stanley Garrett, secretary; Allen H. Vogel, asst. secretary & controller.

Directors: Gerald S. Berger*, Stanley Garrett*, R. Paul Sprague*, Judd J. Trotter, Charles L. Goldenberg.

*Member of the Executive Committee

Business Activities: Operates retail credit stores selling mens', ladies', boys', and girls' clothing on the installment plan.

Divisions & Subsidiaries:

Askin Stores Division
459 West 15th Street
New York, New York 10011

Transfer Agent(s):

Registrar and Transfer Company
Cranford, New Jersey

Stock Exchange(s): American

Ticker Symbol: ASK

Number of Stores: (at fiscal year end)

1980	34	1977	41
1979	35	1976	37
1978	44		

Sales and Earnings

	Net Sales +	Net Income ≠
1980	$ 7,679,000	$ (523,791)
1979	7,878,000	3,630
1978	7,443,000	102,714
1977	7,297,000	(1,019,000)
1976	6,928,000	146,000

	No. of Com. Shares ‡	Earn. per Share ‡ ≠
1980	804,759	$ –
1979	855,141	–
1978	888,576	0.11
1977	753,537	–
1976	1,130,170	0.14

( ) Loss
+ Of continuing operations only.
≠ Including extraordinary gains of $35,802 ($0.04 per share) in 1978, $74,538 ($0.10 per share) in 1977 and $58,000 ($0.05 per share) in 1976.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1980	$ 2,005,872	$2.49
1979	2,162,293	2.53
1978	2,181,988	2.46
1977	2,111,951	2.80
1976	3,174,597	2.81

+ After allowing for preferred shares at liquidation value.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$ 7,679,348	$ 7,877,886
Cost of sales	2,409,915	2,500,875
Expenses	4,275,875	4,191,393
Prov. for uncoll. receiv.	1,126,709	885,516
Depreciation & amortization	48,610	49,288
Interest expense	301,787	216,238
Income (loss) bef. taxes	$ (483,548)	$ 34,576
Income taxes		6,800
Income (loss) from cont. oper.	$ (483,548)	$ 27,776
Loss from discont. oper.	(40,243)	(24,146)
Net Income (Loss)	$ (523,791)	$ 3,630

Assets

As of Jan. 31	1980	1979
Cash	$ 115,839	$ 201,103
Accts. receiv., net	3,253,405	3,462,456
*Inventories	822,571	820,244
Prepaid expenses	52,434	118,992
Net assets of discont. oper.		140,202
Current Assets	$ 4,244,249	$ 4,742,997
≠Fixed assets	185,411	209,049
Other assets	17,418	4,683
Total Assets	$ 4,447,078	$ 4,956,729

Liabilities

	1980	1979
Long-term debt, curr.	$ 1,802,525	$ 626,958
Accts. payable	436,622	430,609
Accruals	115,589	91,846
Other taxes	86,468	54,021
Curr. Liabilities	$ 2,441,204	$ 1,203,434
Long-term debt		1,216,000
+Preferred stock		
Series A	20	20
Series B		300
+Common stock	82,692	76,442
Add. paid-in capital	3,272,950	3,279,271
Deficit	(1,334,751)	(810,960)
Treasury stock	(15,037)	(7,778)
Total Liabilities & Shareholders' Equity	$ 4,447,078	$ 4,956,729

* At lower of cost or market, using the retail method, on an average basis.
≠ Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Net Income to Equity		0.14
Sales to Inventories	9.34	9.60
Working Capital	$ 1,803,045	$ 3,539,563
Current Ratio	1.74	3.94
Shareholders' Equity	$ 2,005,874	$ 2,537,295

Associated Dry Goods Corporation

417 Fifth Avenue
New York, New York 10016
(212) 679-8700

Officers: Richard R. Pivirotto, chairman of the board; William P. Arnold, president & chief executive officer; Redmond J. Largay, vice chairman; Joseph E. Brooks, sr. exec. v.p.; Joseph H. Johnson, exec. v.p. & chief financial officer; Edward M. Condon, Carrick A. Hill, regional exec. v.p.'s; vice presidents: Arthur F. O'Day-real estate, Robert A. Livingstone-foreign operations & market division, Howard Falberg-personnel, David G. Kratz-management info. systems, Walter C. Daniels-planning & construction, Joel Wise-operations; Joan S. Levan, Arthur J. Jones, Richard A. Maxwell, John G. Mann, Jr., divisional v.p.'s; John P. Calabro, divisional v.p. & corp. controller; Joseph J. Schumm, Jr., vice president, secretary & corporate counsel; George C. Easter, v.p. & treasurer; George F. Birmingham, Paul J. Kittner, asst. treasurers & asst. secretaries; Ralph D. Morgan, Jr., asst. treasurer.

Directors: Arthur G. Altschul, Lyman S. Ayres, Courtney C. Brown, Lewis P. Seiler, William P. Arnold, Rodney C. Gott, Edward M. Condon, Joseph E. Brooks, Donald C. Platten, R. Manning Brown, Jr., Richard R. Pivirotto, Carrick A. Hill, Patricia Ann McFate, Thomas S. Carroll, Redmond J. Largay.

Business Activities: Operates a chain of department stores.

Store Division(s):

Lord & Taylor
New York, Manhasset, Westchester, Milburn, Dearborn, Sterling Heights, Twelve Oaks, Novi, West Hartford, Bala-Cynwyd, Garden City, Washington, Chevy- Chase, Jenkintown, Falls Church, Ridgewood- Paramus, Boston, Stamford, Atlanta, Burlington, Oakbrook, Houston, Dallas, Schaumburg, Vernon Hills, Chicago, North Michigan Avenue and Northbrook.

Hahne & Company
Newark, Montclair, Westfield, Eatontown, Rockaway, Quakerbridge, and Livingston.

The William Hengerer Company
Buffalo, Amherst, Tonawanda, Eastern Hills, and Seneca Mall.

Powers Dry Goods Co.
Minneapolis, St. Louis Park, St. Paul, Blaine, Eden Prairie and Maplewood.

Stewart & Co.
Baltimore, York Road, Reisterstown Road, Golden Ring, Okolona, Westview and Timonium.

The Stewart Dry Goods Company
Louisville, Lexington, Evansville, Oxmoor, Fayette, The Mall and Dixie Manor.

J. W. Robinson Co.
Los Angeles, Beverly Hills, Pasadena, Anaheim, Thousand Oaks, Glendale, Palm Springs, Santa Barbara, Cerritos, Newport, San Diego, Woodland Hills, San Fernando Valley, Santa Anita, Westminster, and City of Industry.

The Diamond
Charleston, Parkersburg, West Virginia.

Sibley, Lindsay & Curr Company
Rochester, Irondequoit, Newark, Fayetteville, Penfield, Henrietta, Victor, Greece, and Syracuse.

The H & S Pogue Company
Cincinnati, Kenwood, Florence Mall, Tri-County and Northgate.

Goldwaters
Phoenix, Scottsdale, Prescott, Tucson, MetroCenter and Albuquerque.

Stix, Baer & Fuller
St. Louis, Richmond Heights, Jennings, Kansas City, Chesterfield, Crestwood Plaza, Independence, Jamestown, St. Ann, Oak Park and Springfield.

The Denver Dry Goods Company
Denver, Cherry Creek, Lakeside, Greeley, Billings, Boulder, Northglenn, Englewood, Colorado Springs, Aurora Mall, Southglenn and Foothills.

Joseph Horne Co.
Pittsburgh, East Hills, Greengate Mall, South Hills Village, Natrona Heights, Northway Mall, Brentwood-Whitehall, Monroeville Mall, Beaver Valley Mall, Erie, West Erie, Millcreek Mall, Youngstown, Randall Park.

Robinson's of Florida
St. Petersburg, Altamonte, West Tampa, Sarasota, Countryside Mall, Orlando and University Square.

L. S. Ayres and Company
Indianapolis, Glendale, Greenwood, Lafayette, Merrillville, Fort Wayne, Glenbrook, Southtown, Lafayette Square, Washington Square and South Bend.

Transfer Agent(s):

Chemical Bank
New York, New York

Mercantile Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: DG

Number of Stores: (at fiscal year end)

1980	163	1977	139
1979	155	1976	156
1976	156		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1980	$ 1,783,212	$ 43,923
1979*	1,605,607	34,471
1978	1,467,755	42,309
1977	1,538,849	40,661
1976	1,390,966	43,078

	No. of Com. Shares	Earn. per Share
1980	13,517,000	$3.25
1979*	13,516,000	2.55
1978	13,515,347	3.13
1977	13,511,727	3.01
1976	13,509,107	3.19

* 53 weeks.
‡ Includes leased departments.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.50		
1979	1.50	—	—
1978	1.50	—	—
1977	1.50	—	—
1976	1.40	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$515,049,000	$38.10
1979	491,299,000	36.35
1978	477,096,000	35.30
1977	454,978,000	33.67
1976	434,527,000	32.17

‡ Restated to reflect change in accounting method.

Income Account
(000's)

Year ended	2/2/80 (53 weeks)	2/3/79
Net sales	$ 1,783,212	$ 1,605,607
Other income	4,144	3,458

Associated Dry Goods Corporation

Total income	$ 1,787,356	$ 1,609,065
Cost of sales & expenses	1,529,386	1,382,664
Rent	30,273	28,103
Depreciation & amortization	38,091	34,988
Maintenance & repairs	24,124	19,473
Interest expense	24,070	19,934
Misc. taxes	50,734	48,927
Retirement plan	9,421	9,403
Prov. for losses	2,114	2,800
Income before taxes	$ 79,143	$ 62,773
Income taxes	35,220	28,302
Net Income	$ 43,923	$ 34,471

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 21,350	$ 22,966
Accts. receiv., net	216,869	181,133
*Inventories	238,781	219,159
Prepaid expenses & supplies	11,868	11,614
Current Assets	$ 488,868	$ 434,872
Investments	47,003	44,419
#Fixed assets	435,349	417,014
Other assets	7,484	7,481
Total Assets	$ 978,704	$ 903,786

Liabilities
(000's)

Long-term debt, curr.	$ 12,351	$ 7,497
Accts. payable & accruals	154,977	125,101
Dividends payable	5,071	5,068
Income taxes	87,681	74,303
Curr. Liabilities	$ 260,080	$ 211,969
Mortg. notes & debentures	165,016	166,908
Contingent compensation	8,920	7,668
Deferred inc. taxes	29,639	25,942
+Common stock	6,792	6,792
Add. paid-in capital	61,438	61,337
Retained earnings	448,832	425,186
Treasury stock	(2,013)	(2,016)
Total Liabilities & Shareholders' Equity	$ 978,704	$ 903,786

* At cost (LIFO) as determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.44	3.91
%Net Income to Sales	2.46	2.15
%Net Income to Equity	8.53	7.02
Working Capital	$228,788,000	$222,903,000
Current Ratio	1.88	2.05
Shareholders' Equity	$515,049,000	$491,299,000

Astrex, Inc.

150 Fifth Avenue
New York, New York 10011
(212) 989-5000

Officers: Mark Schindler, chairman of the board; Morris Kass, president & chief executive officer; Herbert H. Blum, treasurer; Frederick I. Levy, secretary.

Directors: Mark Schindler, chairman; Morris Kass, Frederick I. Levy, Herbert H. Blum, Ronald S. Kass, Thomas J. Sandleitner, Harvey Martin.

Business Activities: Distributor of electronic parts and components in the Delaware Valley, New York and New England areas; operates a chain of catalogue showrooms on the West Coast of Florida, and manufactures stereo phonographs for the youth home entertainment market.

Divisions & Subsidiaries:

Resco Electronics Division
Pennsauken, New Jersey
(609) 662-4000

Master Mechanic Mfg. Co., Inc.
Burlington, Wisconsin
Sarasota, Florida
(813) 355-2777

Masters Merchandise Mart, Inc.
Sarasota, Florida
(813) 355-7183

ASI Electronics Division
Baltimore, Maryland
(301) 265-5100

Dutrex Industries, Inc.
New York, New York
(212) 989-5000

Resisco Division
New York, New York
(212) 233-9035

Corvair Electronics, Inc.
New York, New York
(212) 777-8100

Progress Electronics Inc.
Plainview, New York
(516) 433-1700

ASI, Inc.
Binghamton, New York
(607) 723-6326

T.F. Cushing, Inc.
Springfield, Massachusetts
(413) 788-7341

Connector Company of America Division
New Haven, Connecticut
(203) 624-0127

Unelco Electronics Corporation
Baltimore, Maryland
(301) 461-1900

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: ASI

Number of Stores: (at fiscal year end)

1980	21	1977	11
1979	14	1976	10
1978	11		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 55,125,239	$ 1,484,123
1979	42,596,767	1,127,931
1978	37,032,510	1,005,862
1977	31,226,719	735,192
1976	27,356,210	401,911

	No. of Com. Shares	Earn. per Share ‡#
1980	701,157	$2.11
1979	670,657	1.26
1978	894,279	1.05
1977	1,275,900	0.55
1976	1,268,050	0.32

‡ Based on the weighted average number of common shares and common share equivalents outstanding.
# Including extraordinary gain of $100,362 ($0.10 per share) in 1978.

Revenues by Line of Business

	1980	1979
Sales of electronic parts & components	$ 25,616,289	$ 21,170,444
Catalog showrooms	26,823,342	18,448,258
Manufacture & sale of stereo equip.	1,514,856	1,648,682
Other	1,170,752	1,329,383
Total	$ 55,125,239	$ 42,596,767

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,965,405	$9.93
1979	5,437,782	8.11
1978	6,659,427	7.45
1977	8,080,977	6.33
1976	7,519,208	5.93

Income Account *

Year ended March 31	1980	1979
Net sales	$ 55,125,239	$ 42,596,767
Cost of sales	39,313,443	30,899,752
Expenses	11,230,616	8,625,772
Prov. for doubtful accts.	75,324	50,249
Interest expense	1,856,555	1,127,620
Interest income	(12,564)	(39,856)
Gain on sale of subsid.	(93,847)	
Income before taxes	$ 2,755,712	$ 1,933,230
Income taxes	1,271,589	805,299
Net Income	$ 1,484,123	$ 1,127,931

* Included in Costs and Expenses: Depreciation and Amortization: $528,892 in 1980 and $332,572 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 2,126,657	$ 1,143,053
Accts. & notes receiv., net	4,345,401	3,588,087
* Inventories	15,779,296	11,325,124
Prepaid expenses	64,249	36,772
Current Assets	$ 22,315,603	$ 16,093,036
# Fixed assets	6,124,725	5,220,584
Other assets	993,445	351,429
Intangibles	1,019,672	1,019,672
Total Assets	$ 30,453,445	$ 22,684,721

Liabilities

Notes payable	$ 2,971,034	$ 1,066,531
Long-term debt, curr.	1,037,376	688,311
Accts. & notes payable	5,877,275	4,704,032
Accruals	748,241	401,958
Income taxes	359,275	173,286
Curr. Liabilities	$ 10,993,201	$ 7,034,118
Deferred income taxes	508,604	270,630
Long-term debt	11,986,235	9,942,191
+ Common stock	233,723	223,556
Add. paid-in capital	1,725,373	1,692,040
Retained earnings	5,006,309	3,522,186
Total Liabilities & Shareholders' Equity	$ 30,453,445	$ 22,684,721

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	5.00	4.54
%Net Income to Sales	2.69	2.65
%Net Income to Equity	21.31	20.74
Sales to Inventories	3.49	3.76
Working Capital	$ 11,722,402	$ 9,058,918
Current Ratio	2.03	2.29
Shareholders' Equity	$ 6,965,405	$ 5,437,782

Autoscope, Inc.

3188 Bladensburg Road, N.E.
Washington, D.C. 20018
(201) 526-8500

Officers: Charles M. Levinson, president; Lois Levinson, v.p.; Robert Singer, secretary.

Directors: Charles M. Levinson, Robert Singer, Lois Levinson.

Business Activities: Sells, at wholesale and retail, auto seat covers, tops, sunroofs, mufflers, shock absorbers, brakes and other auto accessories and supplies.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	3	1976	4
1978	3	1975	4
1977	3		

Sales and Earnings

	Net Sales	Net Income ‡
1979*	$ 1,220,673	$ 48,517
1978*	995,803	35,146
1977*	884,997	(3,282)
1976	927,918	13,194
1975	804,041	(44,283)

	No. of Com. Shares	Earn. per Share ‡
1979*	87,737	$0.55
1978*	87,537	0.40
1977*	87,537	—
1976	87,537	0.15
1975	87,537	—

* Unaudited
(Loss)
‡ Including extraordinary gains of $1,300 ($0.01 per share) in 1979, $8,200 ($0.09 per share) in 1978 and $2,767 ($0.03 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1979*	$ 213,130	$2.43
1978*	164,788	1.88
1977	130,204	1.49
1976	133,698	1.53
1975	124,249	1.42

* Unaudited

Income Account + *

Year ended June 30	1979	1978
Net sales	$ 1,220,673	$ 995,803
Cost of sales	659,145	531,941
Expenses	512,382	430,593
Other income	(3,071)	(3,177)
Income before taxes	$ 52,217	$ 36,446
Income taxes	5,000	9,500
Net Income	$ 47,217	$ 26,946
Extraord. gain	1,300	8,200
Net Income & extraord. gain	$ 48,517	$ 35,146

+ Unaudited.
* Included in Costs and Expenses: Depreciation and Amortization: $5,099 in 1979 and $3,808 in 1978.

Assets +

As of June 30	1979	1978
Cash	$ 26,191	$ 35,000
Accts. receiv., net	51,707	40,333
* Inventories	157,459	133,904
Prepaid expenses	3,093	4,548
Current Assets	$ 238,450	$ 213,782
Investments	50,465	50,584
# Fixed assets	30,383	34,060
Other assets	2,404	2,554
Total Assets	$ 321,702	$ 300,980

Liabilities +

Notes payable	$ 22,498	$ 38,797
Accts. payable	51,012	52,027
Accruals	16,765	22,880
Other liabilities	9,848	8,626
Income taxes	2,385	1,300
Curr. Liabilities	$ 102,508	$ 123,630
Long-term debt	6,064	12,562
+ Common stock	29,411	29,411
Add. paid-in capital	174,708	174,708
Retained earnings (deficit)	39,485	(9,032)
Treasury stock	(25,780)	(25,780)
Net unrealized loss	(4,694)	(4,519)
Total Liabilities & Shareholders' Equity	$ 321,702	$ 300,980

+ Unaudited.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.30 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.28	3.66
%Net Income to Sales	3.87	2.71
%Net Income to Equity	22.15	16.35
Sales to Inventories	7.75	7.44
Working Capital	$ 135,942	$ 90,152
Current Ratio	2.33	1.73
Shareholders' Equity	$ 213,130	$ 164,788

Basco, Inc.

2130 Route 38
Cherry Hill, New Jersey 08002
(609) 779-0333

Officers: Samuel Buck, chairman of the board; Solomon Schechter, chairman of the executive committee; Alex Egyed, president & chief executive officer; Joseph Goldberg, senior vice president & secretary; John A. Healey, sr. v.p.; Daniel J. Hewitt, sr. v.p. & chief financial officer; Lloyd J. Vye, v.p.-operations; Ralph DeLeon, v.p.-jewelry merchandising; Stewart M. Blankenhorn, v.p.-market forecasting & inventory control; Edwin B. Carpenter, v.p.-personnel; Charles Melmed, v.p.-mngmnt. info services; Norman A. Smolen, treasurer.

Directors: Samuel Buck, chairman; Solomon Schechter, Alex Egyed, Joseph Goldberg, Norman A. Smolen, Donald A. Engel.

Business Activities: Operates a chain of catalog showrooms in Pennsylvania, New Jersey, Delaware and Maryland.

Subsidiary:

AW Consultants, Inc. (51% interest)
Develops, sells and manages data processing systems.

Transfer Agent(s):

Industrial Valley Bank & Trust Co.
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BSCO (NASDAQ)

Number of Stores: (at fiscal year end)

1979	12	1976	9
1978	10	1975	9
1977	9		

Sales and Earnings

	Net Sales #	Net Income †
1979	$ 81,926,000	$ 666,000
1978*	60,649,777	1,418,000
1977	44,663,064	911,000
1976	34,269,185	281,000
1975	23,233,217	(93,000)

	No. of Com. Shares	Earn. per Share ‡†
1979	967,934	$0.89
1978*	723,867	1.95
1977	700,067	1.28
1976	694,067	0.40
1975	694,567	—

(Loss)
* 53 weeks.
# Of continuing operations.
† Restated to reflect capitalization of leases.
‡ Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 8,018,000	$8.28
1978	5,320,000	7.35
1977	3,620,000	5.17

‡ Restated to reflect capitalization of leases.

Income Account*
(000's)

Year ended	6/30/79	7/1/78 ‡ (53 weeks)
Net sales	$ 81,926	$ 60,650
Cost of sales	61,248	45,896
Expenses	15,736	11,470
Other charges	1,248	628
Income before taxes	$ 694	$ 2,656
Income taxes (credit)	(28)	1,119
Minority interest	56	119
Net Income	$ 666	$ 1,418

* Included in Costs and Expenses. Depreciation and Amortization: $986,000 in 1979 and $600,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	6/30/79	7/1/78 ‡
Cash	$ 643	$ 218
Treas. note	4,500	—
Accts. receiv., net	1,787	2,373
*Inventories	34,261	22,578
Prepaid expenses	452	63
Refund inc. taxes	488	—

Current Assets	$ 42,131	$ 25,232
# Fixed assets	14,183	10,150
Other assets	1,074	428
Total Assets	$ 57,388	$ 35,810

Liabilities
(000's)

Long-term debt, curr.	$ 1,455	$ 1,752
Accts. payable and accruals	26,797	19,182
Income taxes		454
Other taxes	363	375
Curr. Liabilities	$ 28,615	$ 21,763
Long-term debt	19,991	8,119
Deferred inc. taxes	337	225
Deferred credits	175	187
Minority interest	252	196
+ Common stock	105	82
Add. paid-in capital	4,274	2,403
Retained earnings	4,173	3,507
Treasury stock	(534)	(672)
Total Liabilities & Shareholders' Equity	$ 57,388	$ 35,810

‡ Restated to reflect capitalization of leases.
* At lower of cost (LIFO; FIFO in 1978) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.85	4.38
%Net Income to Sales	0.81	2.34
%Net Income to Equity	8.31	26.65
Sales to Inventories	2.39	2.69
Working Capital	$ 13,516,000	$ 3,469,000
Current Ratio	1.47	1.16
Shareholders' Equity	$ 8,018,000	$ 5,320,000

A. J. Bayless Markets, Inc.

111 East Buckeye Road
Phoenix, Arizona 85036
(602) 262-0311

Mailing address:
P.O. Box 21152
Phoenix, Arizona 85036

Officers: Mrs. A. J. Bayless, chairman of the board; Roger S. Hagel, president and general manager; Robert E. Richards, sr. vice president-retail operations; Joseph L. Bayless, v.p.-store operations; Robert C. Dillard, vice president, secretary & treasurer; C. Donald Dorsey controller.

Directors: Mrs. A. J. Bayless, chairman; J. Allen Ginn, Jr., Robert E. Richards, Elias M. Romley, Roger S. Hagel, Joseph L. Bayless.

Business Activities: Operates 58 conventional supermarkets and two department stores in 22 Arizona cities.

Transfer Agent(s):

First National Bank of Arizona
First National Bank Plaza
Phoenix, Arizona 85004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYM (NASDAQ)

Number of Supermarkets: (at fiscal year end)

1979	58	1976	60
1978	58	1975	58
1977	59		

Sales and Earnings

	Net Sales	Net Income
1979	$319,837,000	$ 2,193,000
1978	260,088,000	2,583,000
1977	219,824,473	2,266,000
1976	200,160,329	1,672,000
1975*	193,231,192	1,774,000

	No. of Com. Shares	Earn. per Share ‡
1979	1,180,636	$1.86
1978	1,180,636	2.19
1977	1,180,636	1.92
1976	1,180,636	1.42
1975*	1,180,636	1.50

* 53 weeks
‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.60		
1978	0.60		
1977	0.60		
1976	0.60		
1975	0.60		

Common Stock Equity †

	Total Equity	Equity Per Share
1979	$ 25,313,000	$21.44
1978	23,828,000	20.18
1977	21,953,000	18.59
1976	20,394,000	17.27
1975	19,430,000	16.46

† Restated to reflect change in accounting method.

Income Account
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 319,837	$ 260,088
Cost of sales	246,718	198,240
Expenses	65,515	52,911
Depreciation & amortization	2,504	2,435
Interest expense	1,217	1,389
Income before taxes	$ 3,883	$ 5,113
Income taxes	1,690	2,530
Net Income	$ 2,193	$ 2,583

Assets
(000's)

As of	12/30/79	12/31/78
Cash	$ 3,900	$ 2,018
Accts. receiv., net	1,254	1,049
Refund. inc. taxes	377	
* Inventories	25,649	24,241
Prepaid expenses	1,286	1,131
Current Assets	$ 32,466	$ 28,439
# Fixed assets	16,710	15,989
Leased prop. under cap. leases	6,932	7,407
Deposits & other assets	685	661
Total Assets	$ 56,793	$ 52,496

Liabilities
(000's)

Long-term debt, curr.	$ 139	$ 138
Cur. portion oblig. under cap. lease	628	685
Accts. payable	11,188	8,635
Accruals	8,676	6,687
Income taxes		1,052
Curr. Liabilities	$ 20,631	$ 17,197
Long-term debt	1,516	1,653
Deferred inc. taxes	571	639
Oblig. under cap. lease	8,762	9,179
+ Common stock	1,190	1,190
Add. paid-in capital	3,333	3,333
Retained earnings	20,893	19,408
Treasury stock	(103)	(103)
Total Liabilities & Shareholders' Equity	$ 56,793	$ 52,496

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.21	1.97
%Net Income to Sales	0.69	0.99
%Net Income to Equity	8.66	10.84
Sales to Inventories	12.47	10.73
Working Capital	$ 11,835,000	$ 11,242,000
Current Ratio	1.57	1.65
Shareholders' Equity	$ 25,313,000	$ 23,828,000

Bayly Corp.

Bldg. 22
Denver Tech Center,
Englwood, Colorado 80111
(303) 773-3850

Officers: J. Carroll Wood, chairman of the board; Joe C. Wood, Jr., president & chief executive officer; Calvin Tipton, secretary-treasurer; Donald J. Champeau, v.p.-marketing services; George K. Hansen, v.p. & pres.-Bayly Sportswear Div.; C. Hugh Freeze, v.p.-finance.

Directors: J. Carroll Wood, Joe C. Wood, Jr., Douglas R. DeCluitt, C. E. Kerby, Howard Wolf, Donald J. Champeau, Cyril L. Johnson, Raymond W. Pilgrim.

Business Activities: Manufacturer of leisure and utility apparel, largely men's and boy's clothing. Jeans and leisure wear comprise the major portion of its operations. Also operates retail stores specializing in sports equipment and casual wear.

Divisions & Subsidiaries:

Aspen Leaf, Inc.
Operates retail stores in Denver and Aspen, Colorado and in Minneapolis & St. Paul, Minnesota and Albuquerque, New Mexico.

Railroad Sports, Ltd.
Operates retail stores in Denver, Colorado Springs, Fort Collins and Boulder, Colorado.

Transfer Agent(s):

United Bank of Denver
1740 Broadway
Denver, Colorado 80202

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYL (NASDAQ)

Number of Stores: (at fiscal year end)

1979	14	1976	7
1978	10	1975	5
1977	8		

Sales and Earnings

	Net Sales	Net Income
1979*	$109,784,299	$ 3,572,232
1978	97,277,781	2,375,624
1977	108,730,972	2,706,706
1976	80,692,767	1,305,987
1975	63,312,766	1,137,826

	No. of Com. Shares	Earn. per Share‡
1979*	684,005	$5.22
1978	689,005	3.45
1977	689,005	3.92
1976	694,005	2.08
1975	622,805	1.83

* 53 weeks.

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1979	1978	1977	1976
Leisure & utility apparel	86%	86%	91%	90%
Retail	14	14	9	10
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 21,662,640	$31.67
1978	18,275,018	26.52
1977	16,037,195	23.28
1976	13,512,663	19.47
1975	11,726,037	18.83

Income Account*

Year ended	11/3/79 (53 weeks)	10/28/78
Net sales	$109,784,299	$ 97,277,781
Other income	700,501	552,028
Total income	$110,484,800	$ 97,829,809
Cost of sales	89,253,712	80,174,073
Expenses	11,347,732	9,609,748
Shipping exp.	2,307,133	2,195,968
Interest expense	1,228,991	1,654,396
Income before taxes	$ 6,347,232	$ 4,195,624
Income taxes	2,775,000	1,820,000
Net Income	$ 3,572,232	$ 2,375,624

* Included in Costs and Expenses. Depreciation: $1,815,241 in 1979 and $1,526,954 in 1978.

Assets

As of	11/3/79	10/28/78
Cash & cert. of deposit	$ 6,607,638	$ 2,360,851
Accts. receiv., net	12,709,956	8,688,100
*Inventories	19,093,732	24,646,038
Prepaid expenses	424,097	449,917
Current Assets	$ 38,835,423	$ 36,144,906
# Fixed assets	9,958,058	8,432,790
Other assets	232,895	287,916
Total Assets	$ 49,026,376	$ 44,865,612

Liabilities

Long-term debt, curr.	$ 1,660,565	$ 1,222,055
Accts. payable	10,256,919	10,966,261
Accruals	3,190,919	2,203,960
Income taxes	1,041,492	524,376
Curr. Liabilities	$ 16,149,895	$ 14,916,652
Long-term debt	10,999,841	11,538,042
Deferred inc. taxes	214,000	135,900
+Common stock	704,005	704,005
Add. paid-in capital	2,383,759	2,383,759
Retained earnings	18,772,808	15,337,377
Treasury stock	(197,932)	(150,123)
Total Liabilities & Shareholders' Equity	$ 49,026,376	$ 44,865,612

* At lower of cost (LIFO) or market.

Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.78	4.31
%Net Income to Sales	3.25	2.44
%Net Income to Equity	16.49	13.00
Sales to Inventories	5.75	3.95
Working Capital	$ 22,685,528	$ 21,228,254
Current Ratio	2.40	2.42
Shareholders' Equity	$ 21,662,640	$ 18,275,018

The Becker Milk Company Limited

671 Warden Avenue
Scarborough, Ontario, Canada M1L 3Z7
(416) 698-2591

Officers: Frank A. Bazos, chairman of the board; Robert W. Lowe, president; Robert Bazos, Harold Keene, George Panos, Geoffrey W.J. Pottow, vice presidents; Arvi Magi, vice president, treasurer & secretary.

Directors: Frank A. Bazos, chairman; Robert W. Lowe, Robert Bazos, E.S. Miles, George Panos, Geoffrey W.J. Pottow, Arvi Magi, R.S. Paddon.

Business Activities: Operates a chain of dairy and convenience stores throughout Ontario. Also engaged in the business of processing milk and dairy products.

Divisions & Subsidiaries:

Starlight Variety Stores

Transfer Agent(s):

The Royal Trust Company
Toronto, Ontario, Canada
Montreal, Quebec, Canada

Stock Exchange(s): Toronto

Ticker Symbol: BEKQ

Number of Stores: (at fiscal year end)

1980	619	1977	564
1979	588	1976	517
1978	580		

Sales and Earnings †

	Net Sales	Net Income
1980	$173,953,370	$ 4,164,828
1979	152,885,173	2,266,094
1978	140,039,831	505,944
1977	135,876,529	990,530
1976	117,940,268	3,013,113

	No. of Com. Shares #	Earn. per Share #
1980	1,720,360	$2.40
1979	1,720,360	1.30
1978	1,720,360	0.27
1977	1,720,360	0.56
1976	1,720,360	1.73

† In Canadian dollars.

Based on common shares and Class B preference shares combined.

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1980	$ 20,904,679	$12.15
1979	17,462,045	10.15
1978	15,660,091	9.10
1977	15,618,287	9.08
1976	15,091,897	8.77

† After allowing for preference stock at par value.

‡ Based on common shares and Class B preference shares combined.

Income Account

Year ended April 30	1980	1979
Net sales	$173,953,370	$152,885,173
Cost of sales & expenses	162,783,448	145,721,923
Depreciation & amortization	2,740,120	2,659,246
Interest expense	386,974	412,910
Income before taxes	$ 8,042,828	$ 4,091,094
Income taxes	3,878,000	1,825,000
Net Income	$ 4,164,828	$ 2,266,094

Assets

As of April 30	1980	1979
Cash	$ 52,640	$ 2,069,168
Marketable securities	5,073	5,073
Accts. receiv., net	3,030,859	2,806,419
Tax refund		113,723
*Inventories	11,445,652	9,285,458
Prepaid expenses	436,924	241,200
Mortg. receiv.	77,689	28,846
Current Assets	$ 15,048,837	$ 14,549,887
Investments	138,171	122,122
# Fixed assets	22,228,113	20,940,735
Other assets	984,999	229,068
Total Assets	$ 38,400,120	$ 35,841,812

Liabilities

Bank indebtedness	$ 2,708,155	$ —
Accts. payable & accruals	10,476,706	9,916,664
Dividends payable	473,099	215,045
Defer. income	110,297	84,389
Loan payable		2,050,000
Sundry mortg. & debenture payable	117,713	600,943
Inc. taxes pay.	261,308	
Curr. Liabilities	$ 14,147,278	$ 12,867,041
Long-term debt:		
Deferred franchise income	401,927	395,155
Series C debentures		2,600,000
Sundry mortgage	380,316	709,915
Other debt	683,609	330,142
Less curr. portion	(288,010)	(685,332)
Deferred inc. taxes	1,542,821	1,595,346
+ Class A preferred	567,500	567,500
+ + Class B preferred	867,455	867,455
+ + + Common stock	288	288
Retained earnings	20,036,936	16,594,302
Total Liabilities & Shareholders' Equity	$ 38,400,120	$ 35,841,812

* At lower of cost (FIFO) or net realizable value

Less accumulated depreciation and amortization

+ $100 par value; 6% cumulative.

+ + No par value; non-voting, non-cumulative

+ + + No par value

Statistical Summary

%Income bef. Taxes to Sales	4.62	2.68
%Net Income to Sales	2.39	1.48
%Net Income to Equity	19.40	12.57
Sales to Inventories	15.20	16.47
Working Capital	$ 901,559	$ 1,682,846
Current Ratio	1.06	1.13
Shareholders' Equity	$ 21,472,179	$ 18,029,545

Begley Drug Company

P.O. Box 1000
E. K. U. By-Pass
Richmond, Kentucky 40475
(606) 623-2550

Begley Drug Company

Officers: Robert J. Begley, president & chairman of the board; Clarence E. Fain, v.p.-merchandising & distribution; Wendell W. Lake, v.p.-dry cleaning operations; Donald R. Snyder, v.p., secretary & treasurer; Danny F. Wesley, controller; Tony G. Karambellas, sr. v.p.-Drug Store Divisions; Millard L. Gevedon, v.p.-real estate; Vernon Merrick, v.p.-drug store oper.; Conley C. Congleton, corp. house counsel.

Directors: Lee Golden, James K. Lewis*, Robert J. Begley*, Robert L. Maddox, Jr., Russell Steele Gregory, Donald R. Snyder*, Robert R. Martin*, Gilbert J. Jennings.

* Member of the Executive Committee.

Business Activities: Operates drug stores and pharmacies in Kentucky. Also operates dry cleaners in Florida, Illinois, Iowa, Kentucky, Missouri and Tennessee under the name Big "B" One Hour Cleaners.

Subsidiary:

B & B Equipment & Supply Company
Richmond, Kentucky
Distributor of dry cleaning supplies

Transfer Agent(s):

The Central Trust Company
Cincinnati, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BGLY (NASDAQ)

Number of Stores: (at fiscal year end)

	Drug	Pharmacies	Dry Cleaner
1980	43	7	71
1979	43	7	70
1978	38	6	50
1977	35	6	51
1976	35	6	58

Sales and Earnings

	Oper. Revenues	Net Income†
1980	$ 42,774,213	$ 962,980
1979	36,326,305	1,325,671
1978	32,637,079	1,085,856
1977	28,717,747	791,550
1976	26,578,915	73[illegible]30

	No. of Com. Shares +	Earn. per Share ≠ †
1980	616,652	$1.56
1979	580,116	2.22
1978	622,567	1.70
1977	638,391	1.20
1976	650,400	1.11

† Restated to reflect change in accounting method.
+ Adjusted to reflect stock dividends.
≠ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1980	1979	1978	1977
Drug stores	79%	83%	82%	81%
Dry cleaning	21	17	18	19
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.63	5%	–
1979	0.52	10%	–
1978	0.44	–	–
1977	0.41	–	–
1976	0.38	–	–

+ Adjusted to reflect stock dividend.

Common Stock Equity ‡

	Total Equity	Equity Per Share †
1980	$ 9,766,796	$15.84
1979	8,850,119	15.26
1978	8,338,814	13.39
1977	7,684,790	12.04
1976	7,261,776	11.17

‡ Restated to reflect change in accounting method.
† Adjusted to reflect stock dividends.

Income Account *

Year ended March 31	1979	1978‡
Net sales	$ 30,242,371	$ 27,210,285
Other income	6,083,934	5,426,794
Total income	$ 36,326,305	$ 32,637,079
Cost of sales	19,582,176	17,938,590
Expenses	13,812,004	12,161,691
Oper. profit	$ 2,932,125	$ 2,536,798
Other income	38,919	61,539
Total	$ 2,971,044	$ 2,598,337
Interest expense	515,472	455,240
Income before taxes	$ 2,455,572	$ 2,143,097
Income taxes	1,129,901	1,057,241
Net Income	$ 1,325,671	$ 1,085,856

‡ Restated to reflect change in accounting method.
* Included in Costs and Expenses, Depreciation and Amortization: $730,995 in 1979 and $670,304 in 1978.

Assets

As of March 31	1979	1978‡
Cash	$ 921,147	$ 755,470
Accts. receiv., net	1,005,995	891,006
Other receiv.	149,108	116,162
* Inventories	9,222,588	8,079,833
Current Assets	$ 11,298,838	$ 9,842,471
≠ Fixed assets	5,531,181	4,918,197
Other assets	892,107	767,829
Total Assets	$ 17,722,126	$ 15,528,497

Liabilities

	1979	1978‡
Notes payable	$ 1,250,000	$ 500,000
Long-term debt, curr.	339,089	336,096
Cap. lease oblig., curr.	264,654	230,525
Accts. payable & accruals	2,845,743	2,037,968
Income taxes	332,372	370,027
Other taxes	37,468	34,194
Current Liabilities	$ 5,069,326	$ 3,508,810
Long-term debt	3,552,681	3,430,873
+ Preferred stock	250,000	250,000
+ + Common stock	920,819	970,367
Add. paid-in capital	1,924,971	1,407,324
Retained earnings	6,004,329	6,325,501
Treasury stock	–	(364,378)
Total Liabilities & Shareholders' Equity	$ 17,722,126	$ 15,528,497

‡ Restated to reflect change in accounting method.
* Merchandise on retail method; supplies at latest invoice cost, which approximates FIFO.
≠ Less accumulated depreciation and amortization.
+ $25 par value; 6% cumulative.
+ + $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	8.12	7.88
%Net Income to Sales	4.38	3.99
%Net Income to Equity	14.98	13.02
Sales to Inventories	3.28	3.37
Working Capital	$ 6,229,512	$ 6,333,661
Current Ratio	2.23	2.81
Shareholders' Equity	$ 8,850,119	$ 8,338,814

W. Bell & Co., Inc.

12401 Twinbrook Parkway
Rockville, Maryland 20852
(301) 881-2000

Officers: Walter Bell, chairman of the board & president; Bernard M. Blum, exec. v.p.; Fredric J. Bell, vice president; Dorothy Bell, secretary; Martin Pfeifer, treasurer & controller.

Directors: Walter Bell, chairman; Bernard M. Blum, Fredric J. Bell, Bernard Berman, Dorothy Bell, Martin Pfeifer.

Business Activities: Operates a chain of showrooms/warehouses selling gift merchandise; also conducts catalog sales. Showrooms are located in Washington, D.C., Baltimore, and Houston.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BLLW (NASDAQ)

Number of Stores: (at fiscal year end)

1979	12	1976	10
1978	10	1975	8
1977	10		

Sales and Earnings

	Net Sales	Net Income †
1979*	$ 79,554,706	$ 1,772,712
1978	57,757,134	1,561,242
1977	44,011,570	701,092
1976	31,782,671	367,627
1975	25,175,774	59,347

	No. of Com. Shares	Earn. per Share ‡†
1979	971,396	$1.78
1978	925,200	1.56
1977	928,800	0.70
1976	937,600	0.36
1975	957,000	0.06

* 53 weeks.
† Including extraordinary gain of $199,021 ($0.20 per share) in 1979.
‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 10,147,720	$10.45
1978	8,375,697	9.05
1977	6,819,780	7.34
1976	6,128,888	6.54
1975	5,779,258	6.04

Income Account

Year ended	6/30/79 (53 weeks)	6/24/78
Net sales	$ 79,554,706	$ 57,757,134
Cost of sales & expenses	75,811,490	54,156,026
Depreciation & amortization	508,025	367,862
Interest expense	624,251	330,590

Income before taxes	$ 2,610,940	$ 2,902,656
Income taxes	1,037,249	1,341,414
Net Income	$ 1,573,691	$ 1,561,242
Extraord. gain	199,021	—
Net Income & extraord. gain	$ 1,772,712	$ 1,561,242

Assets

As of	6/30/79	6/24/78
Cash	$ 911,202	$ 720,450
Accts. receiv., net	1,182,771	360,384
*Inventories	19,581,001	15,143,454
Other assets	595,914	498,430
Current Assets	$ 22,270,888	$ 16,722,718
≠Fixed assets	5,702,827	4,694,969
Other assets	229,087	172,863
Total Assets	$ 28,202,802	$ 21,590,550

Liabilities

Notes payable	$ 4,700,000	$ 3,000,000
Long-term debt, curr.	739,742	372,013
Accts. payable & accruals	9,156,844	6,618,069
Income taxes	—	826,090
Curr. Liabilities	$ 14,596,586	$ 10,816,172
Long-term debt	3,129,660	2,227,677
Deferred inc. taxes	328,836	171,004
+Common stock	102,369	97,500
Add. paid-in capital	3,503,721	2,985,904
Retained earnings	6,589,282	5,339,945
Treasury stock	(47,652)	(47,652)
Total Liabilities & Shareholders' Equity	$ 28,202,802	$ 21,590,550

Statistical Summary

%Income bef. Taxes to Sales	3.28	5.03
%Net Income to Sales	1.98	2.70
%Net Income to Equity	15.51	18.64
Sales to Inventories	4.06	3.81
Working Capital	$ 7,674,302	$ 5,906,546
Current Ratio	1.53	1.55
Shareholders' Equity	$ 10,147,720	$ 8,375,697

Belscot Retailers, Inc.

80 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 863-9222

(52% owned by Barbara Lynn Stores, Inc.)

Officers: Donald L. Jonas, chairman of the board & chief exec. officer; Lawrence Altman, president; Leonard Pfeffer, executive v.p.; Richard Selinka, v.p.; Ira S. Rosenberg, v.p. & secretary; Harold Perner, treasurer & asst. secretary.

Directors: Lawrence Altman, Martin L. Conrad, Edward J. Kleckner, Donald L. Jonas, Leonard Pfeffer, Richard Selinka.

Business Activities: Operates a chain of mass merchandising department stores and specialty stores in regional mall shopping centers under the name "Lechters". Also operates catalog showroom/warehouses and 51 leased apparel departments in stores owned by others.

Merchandising Subsidiary:

Jubilee Shops, Inc.
80 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 863-9223

Transfer Agent(s):

Harris Trust and Savings Bank
Chicago, Illinois

Stock Exchange(s) American

Ticker Symbol: BRI

Number of Stores: (at fiscal year end)

1980	19	1977	13
1979	13	1976	17
1978	13		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 57,302,191	$ (635,684)
1979	65,909,129	441,965
1978	52,142,826	310,887
1977	52,324,381	551,527
1976*	45,697,621	366,839

	No. of Com. Shares	Earn. per Share ‡+
1980	1,271,583	$ —
1979	1,271,166	0.35
1978	1,271,166	0.24
1977	1,271,166	0.43
1976*	1,271,166	0.29

(Loss)
* 53 weeks.
‡ Based on average number of shares outstanding adjusted to reflect stock dividends.
+ Including extraordinary credits of $69,000 ($0.05 per share) in 1977 and $55,000 ($0.04 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980			
1979			
1978			
1977			
1976		4%	

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,565,000	$6.21
1979	9,196,151	7.23
1978	8,754,186	6.89
1977	8,443,299	6.64

‡ Adjusted to reflect stock dividends.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 57,302,191	$ 65,909,129
Other income	1,327,305	1,587,471
Total income	$ 58,629,496	$ 67,496,600
Cost of sales	43,359,900	52,608,545
Expenses	14,159,322	12,991,123
Interest expense	853,520	690,855
Other expense	1,184,583	757,329
Income before taxes	$ (927,829)	$ 448,748
Income taxes (credit)	(358,290)	50,000
Minority interest	66,145	1,783
Cum. effect of change in acct. meth.		(45,000)
Net Income (Loss)	$ (635,684)	$ 441,965

* Included in Costs and Expenses: Depreciation and Amortization: $456,702 in 1980 and $552,095 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 3,077,289	$ 1,668,834
Cash due from lessors	245,076	80,795
Receiv., net	1,774,281	1,021,975
*Inventories	10,600,143	14,406,512
Prepaid expenses	120,135	282,774
Due from parent co.		29,432
Current Assets	$ 15,816,924	$ 17,490,322
Investments	1,822,836	569,478
Cash value of life ins.	103,637	100,401
≠Fixed assets	2,123,712	3,114,746
Other assets	106,273	127,213
Exc. over market value	170,311	174,311
Total Assets	$ 20,143,693	$ 21,576,471

Liabilities

Long-term debt, curr.	$ 871,432	$ 789,867
Accts. payable	3,883,625	3,419,452
Due operators of leased depts.	52,729	199,532
Accruals	1,400,956	1,720,805
Income taxes		116,343
Defer. inc. taxes	145,154	197,154
Current Liabilities	$ 6,353,896	$ 6,443,153
Long-term debt	5,224,643	5,937,167
+Common stock	1,271,166	1,271,166
Add. paid-in capital	787,635	787,948
Retained earnings	6,501,353	7,137,037
Total Liabilities & Shareholders' Equity	$ 20,143,693	$ 21,576,471

* At lower of cost (retail method) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales		0.68
%Net Income to Sales		0.67
%Net Income to Equity		4.81
Sales to Inventories	5.41	4.57
Working Capital	$ 9,463,028	$ 11,047,169
Current Ratio	2.49	1.89
Shareholders' Equity	$ 8,565,154	$ 9,196,151

Beneficial Corporation

Beneficial Building
Wilmington, Delaware 19899
(302) 658-5171

Officers: Finn M. W. Caspersen, chairman of the board & chief executive officer; George R. Evans, vice chairman of the board; Robert A. Tucker, first v.p. & chief financial officer; Charles W. Bower, sr. vice president and treasurer; William A. Gross, Kostas Gussis, sr. v.p.'s; Kenneth J. Kircher, vice president and secretary; Russell W. Willey, v.p. & controller; Edgar D. Baumgartner, vice president & tax counsel; Glenn E. Paton, v.p. & asst. secretary; John R. Doran, v.p. & asst. treasurer; James H. Gilliam, Jr., v.p.; Andrew C. Halvorsen, asst. to chmn.

Directors: Cecil M. Benadom*, Charles W. Bower*, Freda R. Caspersen, George R. Evans*, Robert A. Tucker*, Charles H. Watts II*, Robert C. Cannada, Elbert N. Carvel, Finn M. W. Caspersen*, Arthur T. Ward, Jr., Richard A. Wagner, K. Martin Worthy, Gerald L. Holm, R. Donald Quackenbush, Susan J. Ross, E. Norman Veasey.

* Member of Executive Committee

Business Activities: A Delaware holding company which operates wholly-owned merchandising subsidiaries: Midland International Corporation, an international marketing company with overseas offices in the Far East; Spiegel, Inc. is engaged in the sale of merchandise, primarily soft goods, through catalogs, by mail; Western Auto sells a variety of merchandise, principally durable goods, at retail in its own stores and at wholesale to independently owned and operated associate stores. The Savings and Loan Division, First Texas Financial Corporation operates 61 savings and loan branch offices in 28 Texas cities. The Finance Division consists principally of consumer finance

Beneficial Corporation

offices, insurance operations, primarily credit life and credit accident and health, the operation of a commercial bank, and leasing activities.

Subsidiaries:

Beneficial Management Corporation
Morristown, New Jersey

Capital Financial Services Inc.
Columbus, Ohio

Southwestern Investment Company
Amarillo, Texas

Spiegel, Inc.
Chicago, Illinois

Western Auto Supply Company
Kansas City, Missouri

Midland International Corporation
Shawnee Mission, Kansas

First Texas Financial Corporation
Dallas, Texas

Beneficial Insurance Group
- The Central National Life Insurance Company of Omaha
- American Centennial Insurance Company
- Beneficial International Insurance Company, Limited
- Guaranty Life Insurance Company of America
- Consolidated Marine & General Insurance Co., Ltd.
- Northwestern Security Life Insurance Company
- Guaranteed Equity Life Insurance Company
- FTS Life Insurance Company
- Western National Life Insurance Company
- COMCO, Inc.
- Service General Insurance Company
- Petroleum State Insurance Company
- Beneficial America Insurance Company, Limited
- Benico Insurance Company, Limited
- BFC Insurnace Agency of America
- BFC Insurance Agency of Nevada

Transfer Agent(s):

Irving Trust Company (common & 5% cumulative preferred stock)
New York, New York

Wilmington Trust Company (common, 5% cumulative preferred, $5.50 dividend cumulative convertible preferred, $4.50 dividend cumulative preferred and 9.25% redeemable preferred)
Wilmington, Delaware

The First National Bank of Chicago (common & $4.30 dividend cumulative preferred)
Chicago, Illinois

Morgan Guaranty Trust Company of New York ($5.50 Dividend cumulative convertible preferred)
New York, New York

Bradford Trust Company ($4.50 dividend cumulative preferred)
New York, New York

Manufacturers Hanover Trust Company ($4.30 dividend cumulative preferred)
New York, New York

Stock Exchange(s): New York

Ticker Symbol: BNL

Number of Stores*: (at fiscal year end)

1979	302	1976	520
1978	459	1975	534
1977	472		

* Company-owned Western Auto stores.

Sales and Earnings

	Revenue †	Net Income
1979	$1,176,900,000	$101,100,000
1978	1,115,863,000	98,300,000
1977	1,178,685,000	85,657,000
1976	1,206,346,000	100,407,000
1975	1,020,400,000	73,367,000

	No. of Com. Shares‡	Earn. per Share‡
1979	22,200,000	$4.24
1978	22,102,000	4.19
1977	21,808,000	3.64
1976	20,436,000	4.52
1975	19,145,000	3.34

† Of merchandising division only.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1979	1978
Finance Division	$ 982,900	$ 769,474
Savings & Loan Division	154,400	133,100
Merchandising Division:		
Western Auto	698,100	683,044
Midland	52,000	62,109
Spiegel	426,800	370,710
Total	$ 2,314,200	$ 2,018,437

Income Account
(000's)

Year ended* Dec. 31	1979	1978
Finance Division:		
Revenues	$ 982,900	$ 769,500
Expenses	826,600	593,200
Foreign exchange loss (gain)	(600)	2,200
Income before taxes	$ 156,900	$ 174,100
Income taxes	57,300	72,600
Income from Finance Div.	$ 99,600	$ 101,500
Merchandising Division:		
Income from Merch.	3,500	4,300
Income from Savings & Loan Division	12,600	2,500
Int. exp. after taxes	(14,600)	(10,000)
Net Income	$ 101,100	$ 98,300

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 52,500	$ 38,334
Finance recev.	3,906,000	2,741,346
Recevs. acq. from West. Auto	165,700	—
Assets to be divested	188,500	—
Security investments	857,800	463,900
Recevs. from merch. div.	102,000	77,132
Minority interest	333,400	359,985
≠Fixed assets	67,000	38,992
Other assets	358,400	161,536
Total Assets	$ 6,031,300	$ 3,881,225

Liabilities
(000's)

	1979	1978
Short-term debt	$ 977,500	$ 520,032
Accts. payable & accruals	336,900	156,570
Insurance policy & claim reserves	358,700	108,162
Long-term debt	3,324,700	2,209,923
Redeem. pref. stock	103,000	
Preferred stock	116,600	116,909
+Common stock	22,100	22,022
Add. paid-in capital	61,800	61,825
Net unreal. loss on eq. sec.	(13,200)	(7,116)
Retained earnings	743,200	692,898
Total Liabilities & Shareholders' Equity	$ 6,031,300	$ 3,881,225

≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Net Income to Equity	9.78	11.09
Shareholders' Equity	$1,033,500,000	$ 886,538,000

Beno's

1515 Santee Street
Los Angeles, California 90015
(213) 748-2222

Officers: Maxwell Hillary Salter, chairman of the board & president; James A. Caron, exec. vice president; Michael Salter, administrative vice president; Randolfo Reategui, vice president- finance & controller; Robert Kaufman, vice president- merchandise manager; Larry Johnson, v.p.-field operations; Carl Powell, v.p.-merchandise manager; Morton Kern, secretary-treasurer; Fred Levinson, vice president & merchandise manager.

Directors: Maxwell Hillary Salter, James A. Caron, Morton Kern, Herbert Abrams, Michael L. Salter.

Business Activities: Sells a variety of merchandise, including men's, boy's, women's and children's wear, drug sundries, hardware, appliances, automotive parts, sporting goods, cameras, records, jewelry, and domestics. Operates forty-one retail outlets. These include four full-line department stores, three junior department stores, thirty family apparel stores, all of them operated under the name of "Beno's", and three leased departments operated under the name of "Value Giant". The thirty family apparel stores include five warehouse outlets. Outlets are located in California, Oregon and Washington.

Transfer Agent(s):

U.S. Stock Transfer Corporation
Beverly Hills, California 90211

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	45	1977	25
1979	44	1976	16
1978	32		

Sales and Earnings

	Net Sales	Net Income‡
1979	$ 34,843,000	$ 378,000
1978	29,168,000	293,000
1977	28,208,000	267,000
1976	24,796,000	433,000
1975	19,765,000	438,000

	No. of Com. Shares	Earn. per Share‡
1979	1,625,869	$0.23
1978	1,625,869	0.18
1977	1,589,015	0.17
1976	1,624,369	0.26
1975	1,641,535	0.27

‡ Including extraordinary gain of $150,000 ($0.09 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 3,059,000	$1.88
1978	2,681,000	1.65
1977	2,388,000	1.50
1976	2,118,000	1.30
1975	1,771,000	1.08

Income Account*

Year ended	1/27/80	1/28/79
Net sales	$ 34,843,000	$ 29,168,000
Other income	262,000	241,000
Total income	$ 35,105,000	$ 29,409,000
Cost of sales	22,615,000	18,595,000
Expenses	11,274,000	10,087,000
Interest expnese	401,000	370,000
Income before taxes	$ 815,000	$ 357,000
Income taxes	437,000	214,000
Net Income	$ 378,000	$ 143,000
Extraordinary gain		150,000
Net Income & Extraord. gain	$ 378,000	$ 293,000

* Included in Cost and Expenses. Depreciation and Amortization: $287,000 in 1979 and $284,000 in 1978.

Assets

As of	1/27/80	1/28/79
Cash	$ 712,000	$ 1,012,000
Accts. receiv., net	189,000	87,000
*Inventories	7,341,000	5,988,000
Prepaid expenses	92,000	109,000
Current Assets	$ 8,334,000	$ 7,196,000
≠Fixed assets	1,510,000	1,294,000
Other assets	26,000	140,000
Total Assets	$ 9,870,000	$ 8,630,000

Liabilities

Long-term debt, curr.	$ 340,000	$ 389,000
Accts. payable	1,558,000	1,247,000
Accruals	1,135,000	661,000
Accrued taxes	428,000	255,000
Emp. stock owner plan	343,000	240,000
Curr. Liabilities	$ 3,804,000	$ 2,792,000
Long-term debt	3,007,000	3,157,000
+Common stock	181,000	181,000
Add. paid-in capital	295,000	295,000
Retained earnings	2,834,000	2,456,000
Treasury stock	(251,000)	(251,000)
Total Liabilities & Shareholders' Equity	$ 9,870,000	$ 8,630,000

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.34	1.22
%Net Income to Sales	1.08	0.49
%Net Income to Equity	12.36	5.33
Sales to Inventories	4.75	4.87
Working Capital	$ 4,530,000	$ 4,404,000
Current Ratio	2.19	2.58
Shareholders' Equity	$ 3,059,000	$ 2,681,000

Best Products Co., Inc.

Parham Road at I-95
Richmond, Virginia 23227
(804) 261-2000

Mailing address:

P.O. Box 26303
Richmond, Virginia 23260

Officers: Sydney Lewis, chairman of the board & chief exec. officer; Andrew Lewis, president & chief operating officer; Frances Lewis, exec. v.p.; Alan Werner, sr. v.p.-operations; M. Bruce Reiss, sr. v.p.-merchandising; Harry B. Underwood II, v.p. & treasurer; Robert A. Brown, v.p.-human resources; Ben R. Cheseldine, v.p.-real estate & facilities development; Dudley L. Parker, Jr.-operations administration; Jerold M. Martin, asst. v.p.-merchandising; Richard T. Riley, v.p.-merchandising; W. Edward Wotring, asst. v.p.-data processing; James Spencer, secretary; W. David Hiner, asst. v.p.-field operations; Linwood A. Lacy, asst. v.p.-marketing & research.

Directors: Robert L. Burrus, Jr., David Arenstein, Robert Huntley, Andrew Lewis, Sydney Lewis, Frances Lewis, H. Fred Krimendahl, II, Ross R. Millhiser, James C. Wheat, Jr., Susan L. Butler, Cathleen H. Douglas.

Business Activities: Catalog/showroom merchandiser operating showrooms in Virginia, Maryland, North Carolina, Texas, Ohio, Michigan, New Jersey, Florida, California and Pennsylvania.

Transfer Agent(s):

United Virginia Bank
Richmond Virginia

Stock Exchange(s): New York

Ticker Symbol: BES

Number of Showrooms: (at fiscal year end)

1979	62	1976	38
1978	53	1975	37
1977	45		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$696,829,782	$ 26,625,000
1978	526,067,923	21,485,000
1977	402,197,070	15,940,000
1976	95,000,521	9,118,000
1975	208,831,351	1,343,000

	No. of Com Shares ≠	Earn. per Share ≠‡
1979	8,817,000	$3.02
1978	8,763,000	2.45
1977	8,710,000	1.83
1976	8,667,000	1.05
1975	8,655,000	0.15

‡ Restated to reflect capitalization of leases.
≠ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979			
1978			3-for-2
1977			
1976			2-for-1
1975			

Common Stock Equity +

	Total Equity ‡	Equity Per Share †
1979	$107,736,677	$12.22
1978	81,867,246	9.34
1977	60,691,326	6.97

+ Restated to reflect capitalization of leases.
‡ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Income Account

As of	6/30/79 (53 weeks)	6/24/78 ‡
Net Sales	$696,829,782	$526,067,923
Other income	2,378,075	1,596,913
Total Income	$699,207,857	$527,664,836
Cost of sales	548,520,801	414,460,295
Expenses	79,341,758	56,861,204
Depreciation & amortization	8,470,412	6,298,249
Interest expense	11,340,159	9,041,797
Income before taxes	$ 51,534,727	$ 41,003,291
Income taxes	24,910,000	19,518,000
Net Income	$ 26,624,727	$ 21,485,291

‡ Restated to reflect capitalization of leases.

Assets

As of	6/30/79	6/24/78 ‡
Cash	$ 15,566,524	$ 9,398,771
Accts. receiv., net	6,478,433	6,294,538
*Inventories	213,143,269	165,264,155
Prepaid expenses	4,953,880	2,383,463
Recoverable costs		4,258,286
Current Assets	$240,142,106	$187,599,213
Investments & other assets	552,084	440,015
≠Fixed assets	132,609,810	101,235,363
Prepaid inc. taxes	4,665,038	4,539,038
Total Assets	$377,969,038	$293,813,629

Liabilities

Long-term debt, curr.	$ 581,525	$ 265,475
Cap. lease oblig., curr.	4,360,651	4,005,621
Accts. payable	126,206,077	83,058,557
Accruals	11,897,659	9,668,940
Income taxes	3,874,944	4,260,591
Curr. Liabilities	$146,920,856	$101,259,184
Long-term debt	39,900,254	31,938,957
Cap. lease oblig.	81,904,375	27,328,294
Accrued benefit & def. credits	1,138,876	1,051,948
+Preferred Stock	368,000	368,000
+ +Common Stock	8,834,939	8,798,995
Add. paid-in capital	19,523,588	18,881,964
Retained earnings	79,378,150	54,186,287
Total Liabilities & Shareholders' Equity	$377,969,038	$293,813,629

‡ Restated to reflect capitalization of leases.
* At lower of cost (LIFO) or realizable market value; at lower of average cost or realizable market value in 1978.
≠ Less accumulated depreciation and amortization.
+ $10 par value, 6% cumulative, Series A.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.40	7.79
%Net Income to Sales	3.82	4.08
%Net Income to Equity	24.63	26.13
Sales to Inventories	3.27	3.18
Working Capital	$ 93,221,250	$ 86,340,029
Current Ratio	1.63	1.85
Shareholders' Equity	$108,104,677	$ 82,235,246

Big V Supermarkets, Inc.

176 North Main Street
Florida, New York 10921
(914) 651-4411

Officers: William Rosenberg, chairman of the board; A. Richard Rosenberg, president; Robert W. Glazier, v.p.-merchandising; E. J. Fox, v.p.-personnel & labor relations; Viola Rosenberg, secretary; Donald M. Marder, v.p.-administration & treasurer; Max McComb, v.p.-store operations.

Directors: William Rosenberg, chairman; A. Richard Rosenberg, Robert T. Novak, Walter H. Weiner, Charles Bloom, Donald M. Marder.

Big V Supermarkets, Inc.

Business Activities: Operates Big V Supermarkets in New York and New Jersey.

Transfer Agent(s):

Irving Trust Company
One Wall Street
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: BIV

Number of Stores: (at fiscal year end)

	Super-markets	Drug Stores
1979	26	—
1978	24	8
1977	22	8
1976	22	8
1975	20	6

Sales and Earnings

	Net Sales	Net Income
1979	$357,984,047	$ 4,703,928
1978*	295,110,676	4,214,372
1977	233,850,595	2,641,188
1976	188,023,603	1,770,644
1975	162,176,717	1,508,655

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,531,859	$1.86
1978*	2,498,966	1.69
1977	2,528,736	1.04
1976	2,478,386	0.71
1975	2,444,456	0.62

* 53 weeks.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.24		
1978	0.1725	100%	
1977	0.145	10% & 10%‡	
1976	0.115		
1975	0.075		

‡ Declared Jan., 1978.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 21,682,646	$8.53
1978	17,538,000	6.97
1977	13,665,000	5.53
1976	11,259,000	4.64
1975	9,685,000	4.02

‡ Adjusted to reflect stock dividends.

Income Account

Year ended	12/30/79	12/31/78 (53 weeks)
Net sales	$357,984,047	$295,110,676
Cost of sales	291,862,604	239,699,844
Expenses	53,799,090	44,171,708
Depreciation & amortization	2,918,576	2,340,206
Interest expense	913,849	943,546
Income before taxes	$ 8,489,928	$ 7,955,372
Income taxes	3,786,000	3,741,000
Net Income	$ 4,703,928	$ 4,214,372

Assets

As of	12/30/79	12/31/78
Cash	$ 2,606,347	$ 2,723,174
Cert. of deposit	5,673,045	4,587,167
*Inventories	9,822,410	9,453,434
Prepaid expenses	1,271,477	986,574
Other receiv.	1,477,566	779,633
Current Assets	$ 20,850,845	$ 18,529,982
Investments	2,016,600	1,965,200
≠Fixed assets	25,628,596	22,973,428
Other assets	1,728,255	217,324
Total Assets	$ 50,224,296	$ 43,685,934

Liabilities

	12/30/79	12/31/78
Long-term debt, curr.	$ 512,083	$ 49,893
Cap. lease oblig. curr.	272,739	280,643
Accts. payable	8,717,345	7,590,668
Accruals	3,722,578	4,058,278
Income taxes	—	1,251,695
Curr. Liabilities	$ 13,224,745	$ 13,231,177
Long-term debt	10,998,203	8,216,102
Cap. lease oblig.	3,676,063	4,365,715
Deferred inc. taxes	642,639	334,626
+Common stock	254,310	125,881
+Common stock to be dist.		125,923
Add. paid-in capital	3,751,830	3,706,187
Retained earnings	17,676,506	13,580,323
Total Liabilities & Shareholders' Equity	$ 50,224,296	$ 43,685,934

* At cost (LIFO & FIFO).
≠ Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	2.37	2.70
%Net Income to Sales	1.31	1.43
%Net Income to Equity	21.69	24.03
Sales to Inventories	36.45	31.22
Working Capital	$ 7,626,100	$ 5,298,805
Current Ratio	1.58	1.40
Shareholders' Equity	$ 21,682,646	$ 17,538,000

Bobbie Brooks, Inc.

3830 Kelley Avenue
Cleveland, Ohio 44114
(216) 881-5300

Officers: Maurice Saltzman, chairman & president; Calvin J. Cohen, exec. v.p.-finance & treasurer; Gerald Kurland, v.p., secretary & general counsel; Julius Ludwig, v.p.; Charles F. Frishe, asst. secretary.

Directors: Albert Borowitz, Calvin J. Cohen, John F. Lebor, Julius Ludwig, Maurice Saltzman, Emory Williams, Albert M. Kronick.

Business Activities: Engaged in diversified women's apparel production; operates 12 manufacturing plants, distribution centers and numerous sales offices and show rooms in major cities. The Bobbie Brooks Division produces sportswear and swimwear for young adult women who wear junior sizes, under the Bobbie Brooks, Present Co., Prologue and Market Exchange labels. Produces branded sportswear for misses through the Preception Division, and unbranded sportswear through the Bryn Mawr. Abby Michael provides apparel in misses, junior, tall and petite sizes with classic fashions. Also operates the Remnant House chain of retail fabric stores. The Bobbie Brooks International Development Company operates worldwide, largely through licensing arrangements.

Division & Subsidiaries:

Bobbie-Brooks Division
3830 Kelley Avenue
Cleveland, Ohio 44114

Bryn Mawr Sportswear
1359 Broadway
New York, New York 10018

Perception-Directions
1407 Broadway
New York, New York 10018

Remnant House
Ripley, Tennessee 38063

Miss Colebrook
4000 East 10th Court
Hialeah, Florida 33013

Overture Inc.
1410 Broadway
New York, New York 10018

Abby Michael Division
30650 Carter Street
Solon, Ohio 44139

Brooks Transportation, Inc.
3830 Kelley Avenue
Cleveland, Ohio 44114

Buyers Workshop, Inc.
1410 Broadway
New York, New York 10018

Market Exchange Division
55 West 39th Street
New York, New York 10018

Bobbie Brooks International Development Company
1411 Broadway
New York, New York 10018

Transfer Agent(s):

Ameri Trust Company
Cleveland, Ohio

Chase Manhattan Bank
New York, New York

Stock Exchange: New York

Ticker Symbol: BBK

Number of Stores: (at fiscal year end)

1980	20	1977	35
1979	34	1976	31
1978	34		

Sales and Earnings

	Net Sales †	Net Income ‡
1980*	$206,907,000	$ (5,296,000)
1979	181,940,000	9,161,000
1978	151,411,000	10,340,000
1977	127,332,000	(17,942,000)
1976	115,063,000	722,000

	No. of Com. Shares ≠	Earn. per Share ‡≠
1980	4,571,983	$
1979	4,589,001	2.00
1978	4,607,882	2.24
1977	4,607,882	—
1976	4,607,822	0.15

(Loss)
* 53 weeks.
† Of continuing operations.
‡ Including extraordinary gains of $3,500,000 ($0.76 per share) in 1979, $4,856,000 ($1.05 per share) in 1978 and $341,000 ($0.07 per share) in 1976.
≠ Based on the weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Apparel manufacturing	$ 175,671	$ 160,681
Retail fabrics	13,125	13,499
Transport serv.	18,111	7,760
Total	$ 206,907	$ 181,940

Common Stock Equity

	Total Equity	Equity Per Share ≠
1980	$ 32,043,000	$7.01
1979	37,339,000	8.17
1978	28,483,000	6.18
1977	18,143,000	3.94
1976	36,085,000	7.83

≠ Based on the weighted average number of shares outstanding

Income Account*
(000's)

Year ended	5/3/80 (53 weeks)	4/28/79
Net sales	$ 206,907	$ 181,940
Cost of sales	155,843	129,429
Expenses	49,695	41,066
Interest expense	4,474	2,524
Int. and other income	(75)	(451)
Prov. for loss on restruct. subsid.	2,200	
Income (loss) before taxes	$ (5,230)	$ 9,372
Income taxes	66	3,711
Net Income (Loss)	$ (5,296)	$ 5,661
Extraordinary gain		3,500
Net Income (Loss) & extraordinary gain	$ (5,296)	$ 9,161

* Included in Costs and Expenses, Depreciation and Amortization: $2,712,000 in 1980 and $1,997,000 in 1979

Assets
(000's)

	5/3/80	4/28/79
Cash	$ 1,312	$ 1,854
Accts. receiv., net	29,288	32,617
*Inventories	31,387	36,402
Prepaid expenses & other assets	4,947	3,801
Current Assets	$ 66,934	$ 74,674
≠Fixed assets	16,072	13,116
Other assets	591	898
Total Assets	$ 83,597	$ 88,688

Liabilities
(000's)

Notes payable	$ 4,400	$ 7,860
Long-term debt, curr.	2,145	1,518
Accts. payable	12,802	9,672
Accruals & sundry liabilities	7,939	8,377
Curr. Liabilities	$ 27,286	$ 27,427
Long-term debt	23,827	23,306
Deferred credits	441	616
+ Common stock	4,624	4,624
Add. paid-in capital	13,941	13,941
Retained earnings	13,807	19,103
Treasury stock	(329)	(329)
Total Liabilities & Shareholders' Equity	$ 83,597	$ 88,688

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ No par value: $1 stated value.

Statistical Summary

%Income bef. Taxes to Sales		5.15
%Net Income to Sales		3.11
%Net Income to Equity		15.16
Sales to Inventories	6.59	5.00
Working Capital	$ 39,648,000	$ 47,247,000
Current Ratio	2.45	2.72
Shareholders' Equity	$ 32,043,000	$ 37,339,000

Bond Industries, Inc.

3 West 35th Street
New York, New York 10001
(212) 947-6550

Officers: Julius Trump, chairman of the board & treasurer; William Trump, vice chairman; Edmond M. Trump, president; Stanley A. Berg, v.p.; Albert C. Piazza, v.p. & controller; James M. Jacobson, secretary.

Directors: Stanley A. Berg, Harold Kapelowitz, Robert Smith, Arthur P. Korach, Irving Moselowitz, Albert Parker, James M. Jacobson, Julius Trump, Edmond M. Trump, William Trump, Cecilia Trump.

Business Activities: Engaged in the operation of leased shoe and hat departments in retail apparel stores. In addition the Company has a 50% equity interest in the parent company of the Desmond's retail clothing store chain, a minority interest in the several retail clothing stores using the Bond name under license agreement and other investments.

Subsidiary:

Rochester Clothing.

Affiliate:

Desmonds (50% interest)
Operates men's clothing stores in Southern California, Montana, Colorado, Arizona, and North Dakota.

Investments:

Jerry Allen Enterprises (30% interest)
Proudwind, Inc. (30% interest)
Farrar McWill, Inc. (31.4% interest)
Lakewind, Inc. (21.7% interest)
Growth Industries, Inc. (50% interest)
Bokap Investment Co. (50% interest)

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BNDN (NASDAQ)

Number of Stores:

1979	4	1978	7

Sales and Earnings

	Net Sales +	Net Income‡
1979	$ 2,583,495	$ (1,138,862)
1978	1,073,144	918,645

	No. of Com. Shares	Earn. per Share ‡≠
1979	973,[illegible]	$ [illegible]
1978	973,523	0.94

(Loss)
+ Of continuing operations only.
‡ Including extraordinary credit of $88,000 ($0.09 per share) in 1979 $345,000 ($0.35 per share) in 1978.
≠ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 21,917,020	$22.51
1978	23,087,531	23.72

Income Account

Year ended	7/28/79	7/29/78
Net sales	$ 2,583,495	$ 1,073,144
Other income	2,216,361	1,101,503
Total Income	$ 4,799,856	$ 2,174,647
Cost of sales	2,145,721	904,086
Expenses	1,648,077	1,314,940
Income (loss) before taxes	$ 1,006,058	$ (44,379)
Income taxes	84,000	
Income (loss) cont. oper.	$ 922,058	$ (44,379)
Income (loss) discont. oper.	(2,060,920)	618,024
Net Income (Loss)	$ (1,138,862)	$ 573,645
Extraord. gains		345,000
Net Income (Loss) & extraord. gain	$ (1,138,862)	$ 918,645

Assets

As of	7/28/79	7/29/78
Cash	$ 9,530,065	$ 8,430,653
Marketable securities	170,583	211,310
Investments	708,289	
Accts. receiv., net	6,475,535	4,542,734
* Inventories	3,908,335	9,068,623
Prepaid expenses	210,203	301,259
Current Assets	$ 21,003,010	$ 22,554,579
Investments	1,772,080	1,468,614
Notes receiv. non-current	2,022,783	2,573,330
≠ Fixed assets	55,026	64,369
Fixed assets of discont. oper.	4,397,355	5,400,716
Other assets	864,340	592,462
Total Assets	$ 30,114,594	$ 32,654,070

Liabilities

Accts. payable	$ 225,883	$ 1,898,049
Accruals	1,905,856	2,996,793
Reserve discont. oper. curr.	1,370,000	344,000
Curr. Liabilities	$ 3,501,739	$ 5,238,842
Long-term debt	4,319,835	4,108,697
Reserve discont. oper. non-curr.	376,000	219,000
+ Common stock	2,532,196	2,532,196
Add. paid-in capital	10,043,224	10,074,873
Retained earnings	30,476,302	31,615,164
Treasury stock	(21,134,702)	(21,134,702)
Total Liabilities & Shareholders' Equity	$ 30,114,594	$ 32,654,070

* At lower of cost (retail method) or market.
≠ Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity		2.48
Sales to Inventories	0.66	0.12
Working Capital	$ 17,501,271	$ 17,315,737
Current Ratio	6.00	4.31
Shareholders' Equity	$ 21,917,020	$ 23,087,531

Borman's, Inc.

18718 Borman Avenue
Detroit, Michigan 48228
(313) 835-9500

Mailing address:
P.O. Box 446
Detroit, Michigan 48232

Officers: Paul Borman, president; Lawrence Kron, vice president, secretary & co-general counsel; Daniel J. Church, v.p.-finance & treasurer; Leonard Borman, v.p.-public relations & real estate; James R. Smith, v.p.-personnel; Ray Rohr, controller.

Directors: Paul Borman*, Sylvan Rapaport*, Thomas V. Angott*, Lawrence Kron, Daniel J. Church*, Leonard Borman, H. James Gram, E.L. Koning, Grant C. Gentry.

* Member of Executive Committee.

Business Activities: Operates Farmer Jack Supermarkets located in Detroit and its environs; Arnold Drugstores and drug departments and Mini-Mart convenience stores; also owns a milk company, and ice cream company and a photo finishing plant.

Divisions & Subsidiaries:

Farmer Jack Supermarkets Division
Arnold's Inc. (Drug Stores)
Food Fair Mini-Marts
Modern Foto, Inc.

all at:

18718 Borman Avenue
Detroit, Michigan 48228

Mailing Address:
P.O. Box 446
Detroit, Michigan 48232

Detroit Pure Milk Co.
18940 Weaver
Detroit, Michigan 48228

Wesley Quaker Maid, Inc.
9700 Oakland
Detroit, Michigan 48211

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: BRF

Number of Stores: (at fiscal year end)

	Super-markets	Drug Stores & Depts.
1980	82	33
1979	80	32
1978	81	30
1977	83	30
1976	85	29

Sales and Earnings

	Net Sales	Net Income ‡
1980	$905,376,318	$ 467,000
1979	783,939,194	5,804,000
1978	687,228,968	303,000
1977	622,220,649	3,521,000
1976*	570,550,402	(261,000)

	No. of Com. Shares	Earn. per Share ‡ ≠
1980	2,917,029	$0.16
1979	2,902,779	2.00
1978	2,925,098	0.10
1977	2,925,098	1.21
1976*	2,925,098	—

* 53 weeks.
( ) Loss.
‡ Including extraordinary gains of $2,120,000 ($0.73 per share) in 1979, $50,000 ($0.01 per share) in 1978, $1,280,000 ($0.44 per share) in 1977 and extraordinary loss of $1,890,000 ($0.65 per share) in 1976.
≠ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 32,557,223	$11.16
1979	32,771,000	11.29
1978	27,033,000	9.24
1977	26,730,000	9.14
1976	23,198,000	7.93

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$905,376,318	$783,939,194
Cost of sales	695,780,403	597,741,055
Expenses	205,761,163	177,559,589
Interest expense	960,930	652,473
Interest on oblig. under cap. leases	2,296,811	2,182,271
Income before taxes	$ 577,011	$ 5,803,806
Income taxes	110,000	2,120,000
Net Income	$ 467,011	$ 3,683,806
Extraord. gain		2,120,000
Net Income & extraord. gain	$ 467,011	$ 5,803,806

* Included in Costs and Expenses, Depreciation and Amortization: $5,269,416 in 1980 and $4,669,408 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 7,288,994	$ 6,284,839
Receiv., net	15,820,694	12,202,842
*Inventories	52,483,072	49,389,732
Prepaid expenses	2,353,504	1,311,384
Current Assets	$ 77,946,264	$ 69,188,797
≠Fixed assets	34,321,904	26,606,546
Defer. charges & other assets	2,066,126	1,715,907
Props. not in use	2,580,345	2,813,077
Prop. under cap. leases	25,556,453	22,300,287
Total Assets	$142,471,092	$122,624,614

Liabilities

Notes payable	$ 2,500,000	$
Long-term debt, curr.	1,175,877	634,412
Accts. payable	43,806,469	38,303,008
Accruals	19,593,767	16,127,686
Oblig. under cap. leases, curr.	1,557,325	1,382,923
Curr. Liabilities	$ 68,633,438	$ 56,448,029
Long-term debt	10,081,196	5,926,041
Oblig. under cap. leases	26,957,504	23,913,257
Est. lease oblig.	2,160,000	2,230,000
Est. self-insurance	2,081,731	1,336,041
+Common stock	3,003,867	2,989,617
Add. paid-in capital	7,896,684	7,862,840
Retained earnings	22,275,519	22,537,636
Treasury stock	(618,847)	(618,847)
Total Liabilities & Shareholders' Equity	$142,471,092	$122,624,614

* At lower of cost (LIFO; perishables at average cost) or market.
≠ Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.06	0.74
%Net Income to Sales	0.05	0.47
%Net Income to Equity	1.43	11.24
Sales to Inventories	17.25	15.87
Working Capital	$ 9,312,826	$ 12,740,768
Current Ratio	1.14	1.23
Shareholders' Equity	$ 32,557,223	$ 32,771,246

Brooks Fashion Stores, Inc.

370 Seventh Avenue
New York, New York 10001
(212) 868-7700

Officers: Joseph E. Saul, chairman of the board; H. Richard Roberts, vice chairman; Andrew M. Saul, president; Harold Randall, exec. v.p.-store operations; Burt Steinberg, exec. v.p.-merchandising; Roy C. Chapman, exec. v.p.-finance & administration & asst. secretary; Sandra H. Grossman, v.p.-merchandising (dresses); Richard L. Smithson, v.p.-merchandising (coats & accessories); Stephen Ellis, exec. v.p.-strategic planning & development; Bertrand Briskin, v.p.-store planning & construction & asst. secretary; Joel Nudelman, v.p.-management info systems; Ira Levy, v.p.-asst. director of store operations; David Halpern, v.p.-asst. director of store operations; Larry Painter, v.p.-asst. director of store operations; Joseph Licari, v.p. & asst. dir. store operations; Eugene L. Sharkey, v.p.-Update Stores Division; Melvin H. Katz, v.p.-forward planning & marketing strategy; Joseph Bell, v.p.-planning & distribution; Joseph N. Zawadzki, treasurer; Richard M. Felner, general counsel & secretary.

Directors: Joseph E. Saul, H. Richard Roberts, Andrew M. Saul, James L. Heskett, Noel Levine, Thomas J. Stanton, Jr., Roy C. Chapman.

Business Activities: Operates a retail chain of junior women's apparel stores, concentrating on four lines of merchandise: sportswear, dresses, coats, and accessories.

Transfer Agent(s):

First Jersey National Bank
1 Exchange Place
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BKFS

Number of Stores: (at fiscal year end)

1980	350
1979	271
1978	215

Sales and Earnings

	Net Sales	Net Income
1980	$129,078,441	$ 11,171,814
1979*	113,737,230	11,464,749
1978	86,883,346	8,183,410
1977	62,504,652	4,600,978
1976	50,632,708	4,025,389

	No. of Com. Shares ‡	Earn. per Share ‡
1980	5,723,190	$1.95
1979*	5,676,027	2.02
1978	5,630,802	1.45
1977	5,624,990	0.82
1976	5,624,990	0.71

* 53 weeks.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.2913	—	3-for-2
1978	0.2424	—	—
1977	0.2121	—	—
1976	0.0909	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 42,737,897	$7.44
1979	33,109,552	5.81
1978	22,423,008	3.98
1977	14,457,393	2.57

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account

Year ended	3/1/80	3/3/79 (53 weeks)
Net sales	$129,078,441	$113,737,230
Cost of sales	79,455,028	68,111,053
Expenses	28,532,909	23,652,797
Depreciation & amortization	1,826,525	1,283,289
Interest income	(1,354,167)	(1,020,159)
Other income	(368,668)	(344,499)
Income before taxes	$ 20,986,814	$ 22,054,749
Income taxes	9,815,000	10,590,000
Net Income	$ 11,171,814	$ 11,464,749

Assets

As of	3/1/80	3/3/79
Cash	$ 16,578,897	$ 16,960,833
Bal. due on sale of receiv.	948,586	
Inc. tax refunds receiv.	1,413,296	
*Inventories	20,037,276	14,595,412
Prepaid expenses & other assets	3,321,104	3,403,359
Current Assets	$ 42,299,159	$ 34,959,604
#Fixed assets	18,332,013	14,067,203
Deferred charges	276,308	
Total Assets	$ 60,907,480	$ 49,026,807

Liabilities

Accts. payable	$ 14,303,744	$ 10,103,432
Accruals	1,999,746	2,112,354
Income taxes	195,409	3,150,489
Curr. Liabilities	$ 16,498,899	$ 15,366,275
Deferred inc. taxes	1,670,684	550,980
+Common stock	574,206	569,889
Add. paid-in capital	2,915,792	2,631,444
Retained earnings	39,247,899	29,908,219
Total Liabilities & Shareholders' Equity	$ 60,907,480	$ 49,026,807

* At lower of cost or market by the retail method.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.26	19.39
%Net Income to Sales	8.66	10.08
%Net Income to Equity	26.14	34.63
Sales to Inventories	6.44	7.79
Working Capital	$ 25,800,260	$ 19,593,329
Current Ratio	2.56	2.28
Shareholders' Equity	$ 42,737,897	$ 33,109,552

Brown Group, Inc.

8400 Maryland Avenue
St. Louis, Missouri 63105
(314) 997-7500

Officers: W.L. Hadley Griffin, chairman of the board & chief executive officer; B.A. Bridgewater, Jr., president & chief operating officer; J. Carr Gamble, Jr., executive v.p.-finance & administration; Louis Sabadie, v.p. & dir.-real estate; William D. George, Jr., v.p. & pres.-Juvenile & Recreation Products Companies; James A. Flynn, v.p.-personnel; Hiram S. Liggett, Jr., treasurer; Robert D. Pickle, secretary & general counsel; William S. Frederick, controller; Thomas J. Jarrett, asst. secretary.

Directors: W.L. Hadley Griffin*, chairman; Clark R. Gamble, J. Carr Gamble, Jr.*, Stanley R. Miller, Edward L. O'Neill, Ben Peck*, Warren McK. Shapleigh, Monte E. Shomaker, Richard W. Shomaker*, Armand C. Stalnaker, Robert N. Stone, B.A. Bridgewater, Jr.*, Lee S. Jinkins.

* Member of Executive Committee.

Business Activities: Manufactures, markets and retails a wide range of consumer products for women, men and children. Products manufactured include: brand-name, nationally advertised women's, men's and children's footwear; play-yard equipment; sidewalk bicycles and tricycles; juvenile furniture; toys and sporting goods and products for skiing, camping, sailing, shooting, and racquet sports. Also operates leased retail shoe departments in department stores and company-owned shoe stores; retail fabric stores and a chain of specialty apparel shops and family fashion stores.

Member Companies:

Brown Shoe Company
8300 Maryland Avenue
St. Louis, Missouri 63105
Manufactures and distributes footwear.

Brown Shoe Co. of Canada, Ltd.
1857 Rogers Road
Perth, Ontario, Canada K7H 3E3
Manufactures and distributes footwear.

Samuels Shoe Company
4940 Northrup Avenue
St. Louis, Missouri 63110
Manufactures and distributes footwear.

Wohl Shoe Company
8350 Maryland Avenue
St. Louis, Missouri 63105
Operates leased shoe departments and shoe stores.

Regal Shoe Shops
8400 Maryland Avenue
St. Louis, Missouri 63105
Operates men's retail shoe stores.

Italia Bootwear, Ltd.
350 Fifth Avenue
New York, New York 10001
Imports men's footwear.

Eagle Rubber Company
710 Orange Street
Ashland, Ohio 44805
Manufactures toys, outdoor family games and sporting goods.

Hedstrom Company
Sunnyside Road
Bedford, Pennsylvania 15522
Manufactures play-yard equipment, sidewalk bicycles, tricycles, and juvenile furniture.

Cloth World
206 S. Western
Amarillo, Texas 79106
Operates retail fabric stores.

Meis Bros.
624 Wabash Avenue
Terre Haute, Indiana 47808
Operates family fashion stores.

The Bottom Half
624 Wabash Avenue
Terre Haute, Indiana 47808
Operates specialty apparel shops.

Outdoor Sports Industries, Inc.
518 17th Street
Denver, Colorado 80202
Tennis apparel and warmup suits; down ski parkas, western and general outerwear, camping apparel; boating instruments, stoves, masts, spars, travelers, and specialty hardware; precision rifle scopes, mounts and accessories, down western general outerwear, ski parkas.

Transfer Agents and Registrars:

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

St. Louis Union Trust Company
510 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): New York, Midwest

Ticker Symbol: BG

Number of Retail Units: (at fiscal year end)

1979	1,600	1976	1,300
1978	1,535	1975	1,300
1977	1,400		

Sales and Earnings

	Net Sales +	Net Income
1979*	$1,144,922,166	$ 41,752,032
1978	983,979,921	33,460,910
1977	891,046,417	27,060,769
1976	842,963,939	20,981,239
1975	740,336,314	13,116,209

	No. of Com. Shares ‡	Earn. per Share ‡
1979*	7,304,342	$5.72
1978	7,307,852	4.58
1977	7,303,529	3.71
1976	7,301,781	2.87
1975	7,301,280	1.80

* 53 weeks.
+ Of continuing operations only.
‡ Based on weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Footwear & accessories	$ 802,000	$ 692,900
Fabric	167,700	166,100
Other products	177,100	128,300
Total	$ 1,146,800	$ 987,300

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.85	—	—
1978	1.65	—	—
1977	1.40	—	—
1976	1.25	—	—
1975	1.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$273,332,151	$37.41
1978	245,750,589	33.61
1977	224,368,137	30.72
1976	207,517,043	28.41
1975	195,632,931	26.79

Income Account *

Year ended	11/3/79 (53 weeks)	10/28/78
Net sales	$1,144,922,166	$983,979,921
Other income	4,389,244	1,450,594
Total Income	$1,149,311,410	$985,430,515
Cost of sales	712,508,234	607,836,604
Expenses	348,577,484	302,642,146

Interest expense	8,691,660	7,228,855
Income before taxes	$ 79,534,032	$ 67,722,910
Income taxes	37,782,000	34,262,000
Net Income	$ 41,752,032	$ 33,460,910

* Included in Costs and Expenses. Depreciation and Amortization: $14,074,768 in 1979 and $12,932,425 in 1978.

Assets

As of	11/3/79	10/28/78
Cash	$ 3,226,757	$ 1,375,731
Marketable securities	4,000,000	22,800,000
Accts. receiv., net	135,491,200	114,594,386
* Inventories	227,899,196	185,270,101
Prepaid exp. & other assets	21,096,188	11,522,330
Current Assets	$391,713,341	$335,562,548
# Fixed assets	105,618,230	82,885,276
Other assets	6,664,276	5,052,940
Total Assets	$503,995,847	$423,500,764

Liabilities

Long-term debt, curr.	$ 1,293,137	$ 805,995
Accts. payable	59,406,418	45,828,412
Accruals	25,645,669	16,553,176
Employee compensation	15,605,194	13,855,225
Income taxes	14,931,941	14,702,052
Employee benefits	10,800,020	6,115,001
Curr. Liabilities	$127,682,379	$ 97,859,861
Long-term debt	83,527,686	70,001,341
Capitalized leases	12,953,622	5,099,446
Deferred compensation plans	4,148,831	2,770,773
Deferred inc. tax	2,351,178	2,018,754
+ Common stock	27,397,246	27,419,288
Add. paid-in capital	15,787,584	14,717,877
Retained earnings	230,147,321	203,613,424
Total Liabilities & Shareholders' Equity	$503,995,847	$423,500,764

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $3.75 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.95	6.88
%Net Income to Sales	3.65	3.40
%Net Income to Equity	15.28	13.62
Sales to Inventories	5.02	5.31
Working Capital	$264,030,962	$237,702,687
Current Ratio	3.07	3.43
Shareholders' Equity	$273,332,151	$245,750,589

Bruno's, Inc.

2620 West 13th Street
Birmingham, Alabama 35218
(205) 785-9400

Officers: Joseph Bruno, chairman of the board; Angelo J. Bruno, president; Anthony J. Bruno, sr. v.p.-pres., Big B Drugs; Lee J. Bruno, sr. v.p.-produce; James C. Baldone, v.p. & secretary; Paul F. Garrison, v.p.-store operations; Glenn J. Griffin, v.p.-treasurer; Frank V. Simonetti, v.p.-meat operations; Paschal P. Vacca, v.p.-counsel.

Directors: Joseph Bruno, Angelo J. Bruno, Anthony J. Bruno, Lee J. Bruno, James C. Baldone, Paul F. Garrison, J. L. Gordon, Frank V. Simonetti, Richard Cohn, Paschal P. Vacca, Curtis Kendall.

Business Activities: Operates supermarkets under the names "Consumer Warehouse Foods," "Bruno's Food Store" and "Food World," drug stores under the name "Big B Discount Drugs." All are located in Alabama except for one in Tennessee and one in Georgia.

Transfer Agent(s):

Birmingham Trust National Bank
Birmingham, Alabama

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BRNO (NASDAQ)

Number of Stores: (at fiscal year end)

	Food's	Drug's
1979	50	54
1978	50	48
1977	50	38
1976	51	34
1975	57	29

Sales and Earnings

	Net Sales	Net Income †
1979*	$385,595,000	$ 6,655,000
1978	309,448,000	4,574,000
1977	254,438,000	3,440,000
1976	216,213,000	2,776,000
1975	184,876,000	2,256,000

	No. of Com. Shares ‡	Earn. per Share ‡†
1979	4,224,334	$1.58
1978	4,194,358	1.09
1977	4,159,212	0.83
1976	4,158,688	0.67
1975	4,158,688	0.54

* 53 weeks.
† Including extraordinary gain of $302,000 (0.07 per share) in 1979.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues by Line of Business

	1979	1978
Food stores	$340,984,000	$276,276,000
Drug stores	44,611,000	33,172,000
Total	$385,595,000	$309,448,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.27	—	2-for-1
1978	0.20	—	—
1977	0.13	—	2-for-1
1976	0.10	—	—
1975	0.05	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 27,410,000	$6.49
1978	21,848,000	5.21
1977	17,949,000	4.32
1976	15,028,000	3.61
1975	12,668,000	3.05

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account

Year ended	7/7/79 (53 weeks)	7/1/78
Net sales	$385,595,000	$309,448,000
Cost of sales	306,568,000	243,698,000
Expenses	62,993,000	53,179,000
Depreciation & amortization	3,385,000	2,923,000
Interest expense	1,694,000	1,636,000
Interest income	(1,014,000)	(362,000)
Income before taxes	$ 11,969,000	$ 8,374,000
Income taxes	5,616,000	3,800,000
Net Income	$ 6,353,000	$ 4,574,000
Extraord. gain	302,000	—
Net Income & extraord. gain	$ 6,655,000	$ 4,574,000

Assets

As of	7/7/79	7/1/78
Cash & temp. cash invest.	$ 12,288,000	$ 4,899,000
Accts. receiv., net	1,820,000	1,337,000
*Inventories	28,167,000	24,193,000
Prepaid expenses	1,987,000	1,064,000
Current Assets	$ 44,262,000	$ 31,493,000
# Fixed assets	33,027,000	29,562,000
Other assets & defer. charges	452,000	477,000
Total Assets	$ 77,741,000	$ 61,532,000

Liabilities

Long-term debt & cap. lease oblig. curr.	$ 1,117,000	$ 1,015,000
Accts. payable	21,573,000	14,291,000
Accruals	7,100,000	4,208,000
Curr. Liabilities	$ 29,790,000	$ 19,514,000
Long-term debt	8,021,000	7,390,000
Cap. lease oblig.	10,375,000	10,809,000
Deferred compensation	736,000	485,000
Deferred inc. taxes	1,409,000	1,486,000
+ Common stock	530,000	528,000
Add. paid-in capital	3,170,000	3,124,000
Retained earnings	23,726,000	18,212,000
Treasury stock	(16,000)	(16,000)
Total Liabilities & Shareholders' Equity	$ 77,741,000	$ 61,532,000

* At LIFO cost, which is not in excess of market.
# Less accumulated depreciation.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.10	2.71
%Net Income to Sales	1.65	1.48
%Net Income to Equity	23.18	20.94
Sales to Inventories	13.69	12.79
Working Capital	$ 14,472,000	$ 11,979,000
Current Ratio	1.49	1.61
Shareholders' Equity	$ 27,410,000	$ 21,848,000

Buning International, Inc.

(formerly Buning the Florist, Inc.)

144 East Las Olas Boulevard
Fort Lauderdale, Florida 33301
(305) 467-1776

Officers: Arthur O. Stone, chairman; Edward P. Thal, president & chief exec. officer; Shirley Stone, secretary; Harold A. Greene, asst. secretary.

Directors: Arthur O. Stone, Shirley Stone, Harold A. Greene, Edward P. Thal, Richard Demarest, Hans U. Wydler.

Business Activities: Operates a chain of company-owned and franchise retail florist shops located in Florida, New York and Georgia.

Divisions & Subsidiaries:

Buning the Florist Inc.
Fort Lauderdale, Florida
(305) 463-7660

Hodge Florists, Inc.
Buffalo, New York
(716) 856-9000

Florists Clearing Network, Inc.
Fort Lauderdale, Florida
(305) 463-7577

Retail Division
Fort Lauderdale, Florida
(305) 467-1776
Buffalo, New York
(716) 856-9000

Wholesale Division

Fort Lauderdale, Florida
(305) 463-7577
Buffalo, New York
(716) 856-9000

Display Division
Fort Lauderdale, Florida
(305) 463-7660

Transfer Agent(s):

Southeast Banks Trust Company, N.A.
100 South Biscayne Boulevard
Miami, Florida 33131

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BUNY (NASDAQ)

Number of Stores*: (at fiscal year end)

1979	27	1976	29
1978	28	1975	32
1977	28		

* Includes franchise stores

Sales and Earnings

	Net Sales	Net Income †
1979	$ 2,712,481	$ 897,666
1978	1,956,421	(137,087)
1977	3,756,102	(1,167,798)
1976	4,044,728	(127,072)
1975	3,819,115	(342,059)

	No. of Com. Shares ‡	Earn. per Share †‡
1979	269,114	$3.32
1978	269,114	
1977	269,114	
1976	269,114	
1975	269,114	

(Loss)
† Including extraordinary gain of $271,500 ($1.00 per share) in 1979.
‡ Based on average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 215,028	$0.80
1978	(682,638)	
1977	(545,551)	
1976	573,647	2.13
1975	749,319	2.78

(Deficiency)
‡ Based on average number of shares outstanding

Income Account *

Year ended June 30	1979	1978
Net sales	$ 2,712,481	$ 1,956,421
Other income	1,566,290	1,728,177
Total Income	$ 4,278,771	$ 3,684,598
Cost of sales	2,324,483	1,753,016
Expenses	1,745,104	2,162,674
Interest expense	120,093	215,445
Prov. for doubtful accounts	83,481	155,714
Other income	(892,056)	(465,164)
Income (loss) before taxes	$ 897,666	$ (137,087)
Income taxes	271,500	
Net Income (Loss)	$ 626,166	$ (137,087)
Extraord. gain	271,500	
Net Income (Loss) & extraord. gain	$ 897,666	$ (137,087)

* Included in Costs and Expenses: Depreciation: $62,416 in 1979 and $71,762 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 176,417	$ 93,171
Acct. & notes receiv.	340,000	491,304
Prop. for sale		354,724
*Inventories	153,058	150,883
Prepaid expenses & other assets	10,789	8,803
Current Assets	$ 680,264	$ 1,098,885
≠Fixed assets	838,543	819,217
Other assets	272,881	353,550
Total Assets	$ 1,791,688	$ 2,271,652

Liabilities

Notes payable	$ 20,000	$
Long-term debt, curr.	503,716	1,138,864
Accts. payable	464,926	743,670
Accrued expenses & other liabilities	169,616	136,196
Curr. Liabilities	$ 1,158,258	$ 2,018,730
Long-term debt	286,847	802,626
Security deposits	22,719	21,519
Deferred income	46,533	49,112
Deferred inc. taxes	62,303	62,303
+Common stock	27,033	27,033
Add. paid-in capital	709,061	709,061
Accumulated deficit	(518,066)	(1,415,732)
Treasury stock	(3,000)	(3,000)
Total Liabilities & Shareholders' Equity	$ 1,791,688	$ 2,271,652

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	33.09	
% Net Income to Sales	23.08	
% Net Income to Equity	291.20	
Sales to Inventories	17.72	12.97
Shareholders' Equity (Deficiency)	$ 215,028	$ (682,638)

Caldor, Inc.

20 Glover Avenue
Norwalk, Connecticut 06852
(203) 846-1641

Officers: Carl Bennett, president; Harold Karun, Julius Kasinitz, Luke Kirby, Gerald Morgasen, vice presidents; Val Rossetti, treasurer; Alan S. Kuller, v.p. & secretary.

Directors: Carl Bennett*, chairman; Martin Brody*, Harold Karun*, Mathew Manes, Thomas F. Richardson, Fred T. Allen, David Dibner, Norman B. Orent*, Paul Kolton.

* Member of Executive Commitee.

Business Activities: Operates a chain of discount department stores in Connecticut, New York, and Massachusetts.

Subsidiaries:

Leisure Line Toys, Inc.
900 Secaucus Road
Secaucus, New Jersey 07094
(212) 868-4940
Toy distributors.

Ralar Distributors, Inc.
1650 Old Country Road
Plainview, New York 11803
(212) 895-0588
Hardware, houseware, garden distributor.

Admor Distributors, Inc.
4 Warehouse Lane
Elmsford, New York 10523
Toys, hardware, housewares, garden equipment and sporting goods distributor.

Transfer Agent(s):

Union Trust Company
Stamford, Connecticut

The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: CA

Number of Stores: (at fiscal year end)

1980	56	1977	43
1979	50	1976	35
1978	48		

Sales and Earnings

	Net Sales	Net Income
1980	$562,762,005	$ 19,747,901
1979	475,732,551	15,470,582
1978	394,417,563	11,350,274
1977	304,982,757	8,459,657
1976*	241,750,328	6,204,261

	No. of Com. Shares ‡	Earn. per Share ‡
1980	8,242,989	$2.40
1979	8,143,906	1.90
1978	8,064,833	1.41
1977	8,034,731	1.05
1976*	8,028,706	0.77

* 53 weeks.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split and stock dividends.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.433	5%	
1979	0.245	5%	
1978	0.264	5%	
1977	0.123	5%	1-for-4
1976	0.071	5%	

‡ Adjusted to reflect stock split and stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 86,230,547	$10.39
1979	69,115,204	8.45
1978	55,115,677	6.82
1977	45,703,275	5.69
1976	38,231,520	4.76

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split and stock dividends.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$562,762,005	$475,732,551
Cost of sales	435,566,822	367,741,044
Expenses	86,435,048	71,912,740
Interest & debt. exp.	8,854,269	6,897,518
Other income	(6,044,035)	(2,714,333)

Caldor, Inc.

Income before taxes	$ 37,949,901	$ 31,895,582
Income taxes	18,202,000	16,425,000
Net Income	$ 19,747,901	$ 15,470,582

* Included in Costs and Expenses, Depreciation and Amortization: $7,758,925 in 1980 and $6,456,205 in 1979

Assets

As of	1/26/80	1/27/79
Cash & short-term invest.	$ 66,219,623	$ 57,756,584
Receiv., net	9,551,508	6,490,742
*Inventories	97,732,786	79,151,683
Prepaid expenses	2,451,647	2,208,531
Current Assets	$175,955,564	$145,607,540
≠Fixed assets	49,389,274	35,560,291
Leased prop. under cap. leases	49,036,051	43,547,915
Other assets & defer. charges	1,625,509	2,395,615
Total Assets	$276,006,398	$227,111,361

Liabilities

Long-term debt, curr	$ 4,374,854	$ 2,753,566
Accts. payable	61,757,762	42,280,815
Accruals	11,442,702	8,933,075
Income taxes	6,584,454	7,253,773
Accrued taxes	7,679,379	7,002,597
Curr. Liabilities	$ 91,839,151	$ 68,223,826
Long-term debt	41,845,353	40,219,472
Cap. lease oblig.	55,487,347	48,791,859
Other liabilities	604,000	761,000
+Common stock	421,187	298,377
Add. paid-in capital	44,930,506	38,981,396
Retained earnings	41,871,559	30,876,736
Deferred comp.	(105,300)	(153,900)
Treasury stock	(887,405)	(887,405)
Total Liabilities & Shareholders' Equity	$276,006,398	$227,111,361

*At lower of cost (LIFO) or market, determined principally by the retail method.
≠ Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.74	6.70
%Net Income to Sales	3.51	3.25
%Net Income to Equity	22.90	22.38
Sales to Inventories	5.76	6.01
Working Capital	$ 84,116,413	$ 77,383,714
Current Ratio	1.92	2.13
Shareholders' Equity	$ 86,230,547	$ 69,115,204

Canada Safeway Limited

313 Pacific Avenue
Winnipeg, Manitoba, Canada
(204) 943-7371

Officers: W.F. Griffiths, chairman of the board; A.B. Anselmo, president & chief executive officer; A.R. Paton, v.p. & treasurer; R.F. Hendy, N.M. Knebel, V.E. Fahey, D.L. Olson, V.L. Pinchin, D.M. Jarvis, v.p.'s; R.J. Hansell, secretary

Directors: A.G. Anselmo, W.F. Griffiths, T. Milburn, N.M. Knebel, R.G. Spellisey, R.J. Hansell, V.E. Fahey, R.F. Hendy, D.L. Olson

Business Activities: Operates a chain of supermarkets in Canada and in West Germany

Subsidiaries:

Lucerne Foods Ltd.
Macdonalds Consolidated Limited
Empress Foods Ltd.
Safeway Supermarket GmbH (West Germany)
Canda Safeway International Finance Corp. (United States)

Transfer Agent(s):

The Royal Trust Company
Winnipeg, Montreal, Toronto, Vancouver and Calgary, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: CNS

Number of Stores: (at fiscal year end)

1979	303	1978	300

Sales and Earnings ‡

	Net Sales	Net Income
1979	$2,321,308,000	$ 54,952,000
1978	1,985,126,000	46,044,000

	No. of Com. Shares	Earn. per Share
1979	280,000	$196.26
1978	280,000	164.44

‡ Restated to reflect capitalization of leases.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.40		
1978	0.40		

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$409,090,000	$1,461.04
1978	354,296,000	1,265.34

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended	12/29/79	12/30/78 ‡
Net sales	$ 2,321,308	$ 1,985,126
Cost of sales	1,854,727	1,587,730
Expenses	375,346	316,447
Interest expense	7,576	6,261
Loss on for. curr. trans.	1,122	
Interest income	(8,492)	(5,572)
Eq. in earn. of affil.	(3,144)	(827)
Other income	(1,242)	(799)
Income before taxes	$ 95,415	$ 81,886
Income taxes	40,463	35,842
Net Income	$ 54,952	$ 46,044

* Included in Costs and Expenses, Depreciation and Amortization: $25,003,000 in 1979 and $22,645,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	12/29/79	12/30/78 ‡
Cash	$ 50,464	$ 65,260
Receivables	15,836	12,620
* Inventories	239,428	199,355
Prepaid expenses	3,549	3,033
Current Assets	$ 309,277	$ 280,268
≠ Fixed assets	199,343	168,169
Other assets	44,937	31,652
Prop. under cap. leases	60,378	50,631
Total Assets	$ 613,935	$ 530,720

Liabilities
(000's)

Cap. lease oblig., curr.	$ 3,967	$ 3,905
Accts. payable & accruals	115,696	98,161
Income taxes	6,570	6,181
Due to affil. cos.	484	1,840
Curr. Liabilities	$ 126,717	$ 110,087
Long-term notes pay.	1,226	1,050
Cap. lease oblig.	71,158	60,624
Deferred inc. taxes	3,753	2,301
+ Preferred stock	1,991	2,362
+ + Common stock	2,800	2,800
Retained earnings	406,290	351,496
Total Liabilities & Shareholders' Equity	$ 613,935	$ 530,720

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or replacement value.
≠ Less accumulated depreciation and amortization.
+ $100 par value, 4.4% cumulative.
+ + $10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.11	4.12
%Net Income to Sales	2.37	2.32
%Net Income to Equity	13.37	12.91
Sales to Inventories	9.70	9.96
Working Capital	$182,560,000	$170,181,000
Current Ratio	2.44	2.55
Shareholders' Equity	$411,081,000	$356,658,000

Canadian Tire Corporation, Limited

2180 Yonge Street
Toronto, Ontarie M4P 2V8
(416) 484-3000

Officers: A. E. Barron, chairman of the board; J. D. Muncaster, president & chief exec. officer; J. W. Kron, exec. v.p.; P.B. Edmonson, v.p.-dealer relations; A.B. Malcolm, v.p.-petroleum marketing; S. J. Bochen, v.p.-distribution; F. Y. Sasaki, v.p.-finance & treasurer; B. Setnor, v.p.-mngmnt. info. services; R. Law, secretary & general counsel; C. D. Smith, asst. treasurer

Directors: A. E. Barron, A. D. Billes, J. W. Kron, A. J. Billes, A. W. Billes, D. G. Billes, R. Law, J. D. Muncaster, A. L. Sherring, D.E. Brown

Business Activities: Operates gas stations and tire and auto accessory retail outlets in 192 Canadian communities

Divisions & Subsidiaries:

Canadian Tire Acceptance Limited
176 King Street
Welland, Ontario L3B 5S3

Cantire Products Limited
35 Fieldway Road
Toronto, Ontario M8Z 3L4

Cantire Realty and Construction
2180 Yonge Street
Toronto, Ontario M4V 2B9

Transfer Agent(s):

National Trust Company Limited
Toronto, Montreal and Calgary

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: CTR

Number of Stores: (at fiscal year end)

	Associate Stores	Gasoline Stations
1979	319	64
1978	314	62

1977	314	61
1976	303	58
1975	295	58

Sales and Earnings

	Gross Operating Revenues	Net Income ‡
1979	$935,753,000	$ 38,708,000
1978	798,717,000	29,469,000
1977	718,114,000	29,490,000
1976	683,684,000	28,920,000
1975	561,032,000	25,793,000

	No. of Com. Shares †	Earn. per Share ‡ #
1979	11,967,179	$3.26
1978	11,639,608	2.55
1977	11,413,003	2.59
1976	11,303,335	2.57
1975	11,135,518	2.32

‡ Including extraordinary gains of $2,195,000 ($0.19 per share) in 1979, $694,000 ($0.06 per share) in 1978, $1,000,000 ($0.09 per share) in 1977, $369,000 ($0.03 per share) in 1976 and $516,993 ($0.04 per share) in 1975.

Based on weighted average number of shares outstanding.

† Class A and common stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.59	—	—
1978	0.90	—	—
1977	0.51	—	—
1976	0.46	—	—
1975	0.38	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$287,735,000	$24.20
1978	247,464,000	21.40
1977	222,803,000	19.59
1976	194,813,000	17.32
1975	163,490,800	14.73

Income Account

Year ended Dec. 31	1979	1978
Gross oper. rev.	$935,753,000	$798,717,000
Cost of sales & expenses	827,487,000	716,074,000
Depreciation & amortization	15,718,000	11,876,000
Prof. sh. plan	6,249,000	4,378,000
Interest expense	21,490,000	17,874,000
Other income	(4,774,000)	(5,423,000)
Income before taxes	$ 69,583,000	$ 53,938,000
Income taxes	33,070,000	25,163,000
Net Income	$ 36,513,000	$ 28,775,000
Extraord. gain	2,195,000	694,000
Net Income & extraord. gain	$ 38,708,000	$ 29,469,000

Assets

As of Dec. 31	1979	1978
Cash	$ 15,312,000	$ 30,497,000
Accts. & loans receiv., net	78,621,000	81,739,000
Income debentures	2,593,000	1,288,000
*Inventories	133,407,000	105,400,000
Acceptance company	113,439,000	92,953,000
Recoverable inc. taxes	—	954,000
Current Assets	$343,372,000	$312,831,000
Investments	49,371,000	1,823,000
# Fixed assets	244,496,000	235,989,000
Other assets	1,101,000	1,232,000
Goodwill	454,000	606,000
Mortg. receiv.	1,027,000	1,782,000
Total Assets	$639,821,000	$554,263,000

Liabilities

Loans payable	$ 2,935,000	$ 1,531,000
Mortg. payable	637,000	1,238,000
Accts. payable	75,632,000	66,073,000
Accruals	47,915,000	40,659,000
Inc. taxes payable	9,596,000	—
Acceptance company	75,188,000	55,539,000
Curr. Liabilities	$211,903,000	$165,040,000
Long-term debt	136,361,000	138,377,000
Deferred inc. taxes	3,822,000	3,382,000
+ Class A Common stock	62,543,000	53,963,000
+ Common stock	892,000	892,000
Retained earnings	224,300,000	192,609,000
Total Liabilities & Shareholders' Equity	$639,821,000	$554,263,000

* At lower of cost (FIFO) or estimated net realizable value, less normal profit market.

Less accumulated depreciation and amortization.

+ No par value.

Statistical Summary

%Income bef. Taxes to Gross Oper. Rev.	7.44	6.75
%Net Income to Gross Oper. Rev.	3.90	3.60
%Net Income to Equity	12.69	11.63
Working Capital	$131,469,000	$147,791,000
Current Ratio	1.62	1.90
Shareholders' Equity	$287,735,000	$247,464,000

Cannon Shoe Company

148 West Franklin Street
Hagerstown, Maryland 21740
(301) 739-1664

Officers: Jacob Shapiro, chairman of the board; Bennett S. Rubin, president; Michael Orban, vice president; Gerald D. Strange, secretary; Rein Kiima, treasurer.

Directors: Bennett S. Rubin, Daniel J. Bryan, W. Lloyd Fisher, Jacob Shapiro, John H. Hessey IV, G.F. Steedman Hinckley, Robert W. MacPherson, David W. Byron, Nathan Weinberg.

Business Activities: Engaged in the shoe business through its retail division in the operation of a chain of 25 retail stores, and through its manufacturing division in the operation of two wholly-owned shoe manufacturing subsidiaries stores under the names Cannon, Miller-Jones, Dan Cohen, Collier, Roe, Fashion, Leeds and Kirby; also manufactures shoes.

Subsidiaries:

Thurmont Shoe Company
Thurmont, Maryland
(301) 739-1664
Manufacturer of men's dress shoes.

The Hagerstown Shoe Company
Hagerstown, Maryland
(301) 739-1664
Manufacturer of men's casual type footwear.

Transfer Agent(s):

The First National Bank of Maryland
Baltimore, Maryland 21203

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CSHO (NASDAQ)

Number of Stores: (at fiscal year end)

1979	25	1976	49
1978	38	1975	76
1977	39		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 15,997,507	$ (192,035)
1979	15,409,691	492,334
1978	14,877,988	179,808
1977	13,603,534	190,241
1976	13,974,121	243,139

	No. of Com. Shares #	Earn. per Share # ‡
1980	469,416	$
1979	479,878	1.03
1978	480,054	0.37
1977	480,054	0.40
1976	480,054	0.51

(Loss)

‡ Including extraordinary gains of $214,000 ($0.45 per share) in 1979, $63,000 ($0.13 per share) in 1978, $67,000 ($0.14 per share) in 1977 and $86,000 ($0.18 per share) in 1976.

Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.20	—	—
1978	0.05	—	—
1977	0.05	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,093,258	$8.79
1979	4,390,714	9.33
1978	4,025,440	8.39
1977	3,869,635	8.06
1976	3,703,397	7.71

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$ 15,997,507	$ 15,409,691
Cost of sales	14,016,544	12,669,669
Expenses	2,033,502	2,222,572
Interest expense	143,597	28,645
Other income	(20,465)	(34,996)
Income (loss) before taxes	$ (175,671)	$ 523,801
Income taxes	16,364	245,467
Net Income (Loss)	$ (192,035)	$ 278,334
Extraord. gain	—	214,000
Net Income (Loss) & extraord. gain	$ (192,035)	$ 492,334

* Included in Costs and Expenses, Depreciation and Amortization: $118,808 in 1980 and $103,169 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 164,342	$ 105,712
Accts. receiv., net	2,043,194	1,273,822
*Inventories	2,886,685	2,941,806
Current Assets	$ 5,094,221	$ 4,321,340
# Fixed assets	875,593	898,946
Other assets	245,315	262,022
Total Assets	$ 6,215,129	$ 5,482,308

Cannon Shoe Company

Liabilities

Notes payable	$ 500,000	$
Accts. payable	1,359,253	822,657
Accruals	35,971	19,189
Amounts withheld from employees	47,875	43,067
Accrued payroll	138,728	157,327
Other taxes	40,044	39,354
Curr. Liabilities	$ 2,121,871	$ 1,091,594
+Common stock	480,054	480,054
Add. paid-in capital	2,409,893	1,409,893
Retained earnings	1,245,611	1,531,917
Treasury stock	(42,300)	(31,050)
Total Liabilities & Shareholders' Equity	$ 6,215,129	$ 5,482,308

* At lower of cost or market
≠ Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales		3.40
%Net Income to Sales		1.81
%Net Income to Equity		6.34
Sales to Inventories	5.54	5.24
Working Capital	$ 2,972,350	$ 3,229,746
Current Ratio	2.40	3.96
Shareholders' Equity	$ 4,093,258	$ 4,390,714

Carson Pirie Scott & Company

One South State Street
Chicago, Illinois 60603
(312) 744-2000

Officers: Harold R. Spurway, chairman of the board & chief executive officer; Carroll E. Ebert, president & treasurer; John E. Cotter, executive v.p.-marketing operations; Daniel M. Fort, v.p. & secretary.

Directors: Norbert F. Armour, John W. Baird, Gregson L. Barker, Robert L. Scott III, Benjamin D. Williams III, John C. Archibald, Frederick G. Jaicks, John E. Cotter, William C. Musham, Harold R. Spurway, J. Scott Welles, John Dern, Jr., Caroll E. Ebert.

Business Activities: Operates department stores in the Chicago metropolitan area, downstate Illinois and western Indiana. The wholesale floor covering division is a distributor of carpeting and hard surface floor coverings. The leisuretime group includes a range of lodging, food service and resort operations.

Division(s):

Retail Division
Wholesale Floor Covering Division
Real Estate Division

All located at:
One South State Street
Chicago, Illinois 60603
(312) 744-5327

Subsidiaries:

Carson International Inc.
(312) 686-6182

Carson Pirie Scott Insurance Services, Inc.
(312) 744-2008

CPS Credit Corporation
(312) 744-5327

All located at:
One South State Street
Chicago, Illinois 60603

Transfer Agent(s):

The First National Bank of Chicago
Shareholder Services Department
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: CRN

Number of Stores: (at fiscal year end)

1980	26	1977	25
1979	26	1976	26
1978	27		

Sales and Earnings

	Net Sales †	Net Income
1980	$434,321,000	$ 12,608,000
1979*	412,080,426	12,206,000
1978	388,062,878	11,242,000
1977	360,663,058	9,681,000
1976	341,972,894	8,336,000

	No. of Com. Shares ≠	Earn. per Share ≠
1980	3,461,000	$3.64
1979	3,485,000	3.50
1978	3,474,000	3.23
1977	3,436,000	2.82
1976	3,624,000	2.30

* 53 weeks.
† Includes leased departments.
≠ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1980 (000's)	1979 (000's)
Retail	$ 287,082	$ 275,177
Floor covering distribution	107,488	99,874
Food service & lodging	39,751	37,029
Total	$ 434,321	$ 412,080

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.07		
1979	0.95		3-for-2
1978	0.85		
1977	0.73		
1976	0.61		

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$106,134,000	$30.66
1979	97,721,000	28.04
1978	88,939,000	25.60
1977	80,537,000	23.44
1976	72,884,000	20.11

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$434,321,000	$412,080,000
Cost of sales & expenses	376,896,000	355,911,000
Depreciation & amortization	9,320,000	8,840,000
Rent	6,855,000	6,272,000
Interest expense	6,856,000	6,900,000
Misc. taxes	12,261,000	11,841,000
Income before taxes	$ 22,133,000	$ 22,316,000
Income taxes	9,525,000	10,110,000
Net Income	$ 12,608,000	$ 12,206,000

Assets

As of	2/2/80	2/3/79
Cash	$ 3,433,000	$ 6,351,202
Receiv., net	68,011,000	63,497,560
*Inventories	47,008,000	44,538,594
Prepaid expenses	1,649,000	1,736,940
Current Assets	$120,101,000	$116,124,296
Investments	5,602,000	5,446,911
=Fixed assets	125,262,000	115,005,653
Investments & other assets	2,952,000	3,076,066
Total Assets	$253,917,000	$239,652,926

Liabilities

Long-term debt, curr.	$ 2,997,000	$ 2,840,346
Cap. lease oblig., curr.	586,000	630,308
Accts. payable	20,266,000	17,758,112
Accruals	23,861,000	22,369,799
Income taxes	575,000	1,109,000
Deferred inc. taxes	10,960,000	9,600,000
Curr. Liabilities	$ 59,245,000	$ 54,307,565
Long-term debt	68,354,000	66,424,402
Cap. lease oblig.	7,802,000	8,388,056
Deferred inc. taxes	8,775,000	9,400,000
Other liab.	3,607,000	3,411,989
+Common stock	19,075,000	19,075,390
Add. paid-in capital	7,404,000	7,164,342
Retained earnings	83,877,000	74,980,342
Treasury stock	(4,222,000)	(3,499,160)
Total Liabilities & Shareholders' Equity	$253,917,000	$239,652,926

* At LIFO cost.
= Less accumulated depreciation and amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.10	5.42
%Net Income to Sales	2.90	2.96
%Net Income to Equity	11.88	12.49
Sales to Inventories	9.24	9.25
Working Capital	$ 60,856,000	$ 61,816,731
Current Ratio	2.03	2.14
Shareholders' Equity	$106,134,000	$ 97,721,000

Carter Hawley Hale Stores, Inc.

550 South Flower Street
Los Angeles, California 90071
(213) 620-0150

Officers: Edward W. Carter, chairman of the board; Waldo H. Burnside, vice chairman of the board & chief operating officer; Prentis C. Hale, chairman of the executive committee; Phillip M. Hawley, president & chief executive officer; J. Hart Lyon, Arthur L. Crowe, Robert G. Wilhelm, exec. vice presidents; Dean A. Beck, Howard N. West, sr. v.p.'s; Paul E. Chevalier, E. John Caldecott, R. Vincent Conant, E. Harlin Smith, Arthur G. Coons, Russell L. Hoyt, Donald G. Livingston, J. Scott Meyer, v.p.'s; Roy L. Olofson, v.p.-financial management; Edward S. Waterbury, v.p.-control; Marie Drum, connroller; Francis T. Phalen, treasurer; James L. Vandeberg, secretary.

Directors: Norman Barker, Jr.*, Ardern R. Batchelder, Edward W. Carter*, Robert DiGiorgio*, Prentis C. Hale*, Phillip M. Hawley*, J. Hart Lyon, Walter B. Gerken*, John T. Dorrance, Jr., William B. Thalhimer, Jr., Robert G. Wilhelm, Walter J. Salmon, Donn B. Miller*, Robert O. Anderson, Arthur L. Crowe, Harold J. Haynes, Jerome W. Hull*, Jean Head Sisco, Waldo H. Burnside.

* Member of the Executive Committee.

Business Activities: The Company is engaged primarily in the department store business. It operates general department stores under the names The Broadway–Southern California; The Broadway–Southwest, Emporium Capwell, and Weinstock's in California, Arizona, New Mexico, Utah, and Nevada; Thalhimers, department stores in Southwest Virginia and North Carolina; John Wanamaker, department stores in the greater Philadelphia area; and Neiman-Marcus specialty department stores in Texas, Florida, Illinois, California, Washington, D.C., Missouri and Georgia. Also operates Bergdorf Goodman, a specialty store in New York City and White Plains, New York and specialty stores under the Holt, Renfrew name in Canada. The Company also operates Sunset House, a mail order business with gift shops in California, Arizona, Texas, and Utah; Contempo Casuals, women's sportswear mall shops in California; and Waldenbooks, a nationwide retailer of books.

Divisions & Subsidiaries:

The Broadway–Southern California
3880 North Mission Road
Los Angeles, California 90031
(213) 227-2000

The Broadway–Southwest
4000 Fiesta Mall
Mesa, AZ 85202
(602) 263-7000

Neiman-Marcus Company
Main & Ervay
Dallas, Texas 75201
(214) 741-6911

Waldenbooks
201 High Ridge Road
Stamford, Connecticut 06904
(203) 356-7500

Weinstock's
Downtown Plaza
Sacramento, California 95813
(916) 449-8888

Sunset House
12800 Culver Boulevard
Los Angeles, California 90066
(213) 823-6333

Emporium Capwell
835 Market Street
San Francisco, California 94103
(415) 764-2222

Thalhimers
615 East Broad Street
Richmond, Virginia 23261
(804) 643-4211

John Wanamaker
1300 Market Street
Philadelphia, Pennsylvania 19101
(215) 422-4000

Bergdorf Goodman Company
754 Fifth Avenue
New York, New York 10019
(212) 753-7300

Holt, Renfrew
1300 Sherbrooke Street West
Montreal, Quebec, Canada H36 1H9
(514) 842-5111

Transfer Agent(s):

Security Pacific National Bank
Corporate Trust Division
P.O. Box 30376, Terminal Annex
Los Angeles, California 90030

Stock Exchange(s): New York, Pacific, London

Ticker Symbol: CHH

Number of Stores: (at fiscal year end)

1980	648	1977	450
1979	562	1976	403
1978	495		

Sales and Earnings

	Net Sales	Net Income
1979	$2,408,028,000	$ 69,720,000
1978*	2,116,586,000	63,820,000
1977	1,647,642,000	54,167,000
1976	1,488,514,000	44,673,000
1975	1,356,895,000	44,750,000

	No. of Com. Shares	Earn. per Share =
1979	25,192,000	$2.67
1978	24,148,000	2.52
1977	23,470,000	2.16
1976	22,729,000	1.77
1975	22,620,000	1.89

* 53 weeks
= Based on the weighted average number of common shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.10		
1978	1.00		
1977	0.95		
1976	0.90		
1975	0.825		

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$501,387,000	$19.90
1978	443,599,740	18.37
1977	395,233,135	16.84
1976	358,439,850	15.77

‡ After allowing for preferred stock at involuntary liquidation preference value of $45 per share

Income Account
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 2,408,028	$ 2,116,586
Cost of sales	1,360,066	1,203,120
Expenses	707,522	603,314
Taxes	57,034	53,742
Depreciation & amortization	51,960	45,492
Rentals of prop	49,177	42,666
Interest expense	63,249	51,232
Income before taxes	$ 119,020	$ 117,020
Income taxes	49,300	53,200
Net Income	$ 69,720	$ 63,820

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 29,656	$ 25,819
Accts. receiv., net	197,348	238,188
Reimburs. prop. costs	13,391	
*Inventories	410,632	378,034
Prepaid expenses	28,752	25,516
Current Assets	$ 679,779	$ 667,557
Investments	95,087	63,054
=Fixed assets	670,845	641,399
Other assets	35,538	23,477
Total Assets	$ 1,481,249	$ 1,395,487

Liabilities
(000's)

Long-term debt & cap. lease oblig., curr.	$ 13,933	$ 14,133
Accts. payable & accruals	202,855	194,625
Dividends payable	7,850	7,017
Income taxes	13,343	18,954
Deferred inc. taxes	94,631	75,450
Curr. Liabilities	$ 332,612	$ 310,179
Long-term debt	309,624	305,034
Cap. lease oblig.	190,291	204,744
Other liab.	64,280	44,368
+Preferred stock	9,228	9,729
+ +Common stock	125,961	120,741
Add. paid-in capital	171,939	162,025
Retained earnings	277,314	238,667
Total Liabilities & Shareholders' Equity	$ 1,481,249	$ 1,395,487

* At lower of cost or market as determined by the retail method
= Less accumulated depreciation and amortization
+ $5 par value
+ + $5 par value

Statistical Summary

% Income bef. Taxes to Sales	4.94	5.53
% Net Income to Sales	2.90	3.02
% Net Income to Equity	11.93	12.02
Sales to Inventories	5.86	5.60
Working Capital	$347,167,000	$357,378,000
Current Ratio	2.04	2.15
Shareholders' Equity	$584,442,000	$531,162,000

CBS Inc.
(formerly Columbia Broadcasting System, Inc.)

51 West 52 Street
New York, New York 10019
(212) 975-4321

Officers: William S. Paley, chairman; Thomas H. Wyman, president; John R. Purcell, sr. vice president; Gene F. Jankowski, Walter R. Yetnikoff, David M. Blank, Drew Brinckerhoff, Alvin H. Fenichel, Cornelius F. Keating, John S. Suhler, William Lilley III, Joan F. Showalter, Thomas M. Kirwan, Haskell P. MacCowatt, E.K. Meade, Jr., James K. Parker, James F. Sirmons, Harry E. Smith, Nathan Snyder, Leonard Spinrad, James A. Walsh, Marilyn Walsh, vice presidents; Carl Anton Muller, v.p. & treasurer; Louis J. Rauchenberger, Jr., vice president and controller; Charles T. Bates, secretary.

Directors: William S. Paley, chairman of the board, Thomas H. Wyman, Courtney C. Brown, William A.M. Burden, Roswell L. Gilpatric, James R. Houghton, Michel C. Bergerac, Gene F. Jankowski, Donald R. Osborn, John R. Purcell, Henry B. Schacht, Benno C. Schmidt, Franklin A. Thomas, Marietta Tree, Walter R. Yetnikoff.

Business Activities: Owns and operates a news service, television and radio networks and stations. The company has expanded into recorded music, publishing, toys, musical instruments, direct marketing services, hobby/craft and leisure time products and retailing of audio equipment and other products. The CBS Specialty Stores Division consists of the Pacific Stereo and The SoundWorks outlets, which specialize in the sale of stereo components. Other retail stores are operated by the following divisions: CBS Musical Instruments and CBS Records International.

Divisions:

CBS/Broadcast Group
CBS Television Network Division
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS Entertainment Division
7800 Beverly Boulevard
Los Angeles, California 90036
(213) 651-2345

CBS Sports Division
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS News Division
524 West 57th Street
New York, New York 10019
(212) 975-4321

CBS Television Stations
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS Radio
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS/Records Group
CBS Records
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS Records International
51 West 52 Street
New York, New York 10019
(212) 975-4321

CBS Video Enterprises Division
51 West 52nd Street
New York, New York 10019
(212) 975-4321

CBS/Columbia Group
Columbia House
1211 Avenue of the Americas
New York, New York 10036
(212) 975-4321

CBS Musical Instruments
100 Wilmot Road
Deerfield, Illinois 60015
(312) 948-5800

CBS Specialty Stores
1313 53 Street
Emeryville, California 94608
(415) 653-9983

CBS Toys
41 Madison Avenue
New York, New York 10010
(212) 481-6400

CBS/Publishing Group
CBS Educational and Professional Publishing
383 Madison Avenue
New York, New York 10017
(212) 688-9100

Domestic Subsidiaries:

April Music Inc
51 West 52 Street
New York, New York 10019
(212) 975-4321

Blackwood Music Inc
51 West 52 Street
New York, New York 10019
(212) 975-4321

MBC Importa Inc
51 West 52 Street
New York, New York 10019
(212) 975-4321

National Handcraft Institute, Inc
1425 Grand Avenue
Des Moines, Iowa 50309
(515) 288-8953

Steinway & Sons
Steinway Place
Long Island City, New York 11105
(212) 721-2600

Acquisition(s):

Audio
A monthly high fidelity publication

American Photographer
A magazine that covers the creative aspects of the photographic art.

Family Weekly
A national Sunday newspaper magazine

Transfer Agent(s):

Chemical Bank
277 Park Avenue
New York, New York 10017

Stock Exchange(s): New York, Pacific, Amsterdam, Frankfurt, London

Ticker Symbol: CBS

Number of Stores: (at fiscal year end)

1979	131	1976	102
1978	131	1975	100
1977	113		

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1979	$ 3,729,701	$ 200,707
1978	3,290,100	198,079
1977	2,826,300	182,008
1976	2,274,500	164,000
1975	1,974,900	122,900

	No. of Com. Shares	Earn. per Share‡
1979	27,844,885	$7.21
1978	27,739,647	7.15
1977	27,582,525	6.50
1976	28,409,565	5.75
1975	28,369,836	4.30

‡ Based on the average number of common shares outstanding.

Revenues By Line of Business

	1979	1978
CBS/Broadcast group	$1,525,500,000	$1,327,500,000
CBS/Records group	1,044,800,000	946,500,000
CBS/Columbia group	717,500,000	598,900,000
CBS/Publishing group	455,600,000	442,300,000
Other	37,900,000	24,100,000
Elim. of intergroup sales	(51,600,000)	(49,200,000)
Total	$3,729,700,000	$3,290,100,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.65	—	—
1978	2.45	—	—
1977	2.10	—	—
1976	1.745	—	—
1975	1.51	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$1,065,981,000	$38.28
1978	933,828,000	33.66
1977	795,941,000	28.86
1976	722,230,000	25.42
1975	606,778,000	21.39

‡ After allowing for preferred stock at voluntary liquidation value of $43.50 per share.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 3,729,701	$ 3,290,052
Cost of sales	2,377,773	2,059,393
Expenses	949,968	823,118
Interest expense	30,501	22,016
Income before taxes	$ 371,459	$ 385,525
Income taxes	170,752	187,446
Net Income	$ 200,707	$ 198,079

* Included in Costs and Expenses. Depreciation and Amortization: $56,972,000 in 1979 and $49,544,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 139,670	$ 51,399
Accts. & notes receiv., net	737,659	660,613
Program rights	268,415	185,855
*Inventories	307,326	282,083
Prepaid expenses	75,228	77,690
Current Assets	$ 1,528,298	$ 1,257,640
Investments	46,508	44,466
≠Fixed assets	395,304	318,900
Other assets	139,752	96,906
Intangibles	69,667	62,169
Total Assets	$ 2,179,529	$ 1,780,081

Liabilities
(000's)

	1979	1978
Long-term debt, curr.	$ 6,843	$ 6,177
Comm. paper	182,242	—
Accts. payable & accruals	605,410	553,547
Income taxes	76,737	73,470
Curr. Liabilities	$ 881,232	$ 633,194
Long-term debt	104,303	104,504
Other liabilities	60,166	60,777
Deferred inc. taxes	59,383	36,990
+ Preferred stock	195	248
+ + Common stock	72,472	72,472
Add. paid-in capital	203,609	206,316
Retained earnings	860,847	734,020
Treasury stock	(62,678)	(68,440)
Total Liabilities & Shareholders' Equity	$ 2,179,529	$ 1,780,081

* At lower of cost (average) or market.
≠ Less accumulated depreciation.
+ $1 par value; $1 convertible Series A.
+ + $2.50 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Revenues	9.96	11.72
%Net Income to Revenues	5.38	6.02
%Net Income to Equity	18.68	20.97
Working Capital	$ 647,066,000	$ 624,446,000
Current Ratio	1.73	1.99
Shareholders' Equity	$1,074,445,000	$ 944,616,000

Champion Products Inc.

3141 Monroe Avenue
Rochester, New York 14618
(716) 385-3200

Mailing address:

P.O. Box 850
Rochester, New York 14603

Officers: Joseph P. Fox, chairman of the board; Richard M. Geisler, pres. & chief exec. officer; Harold Lipson, sr. v.p.-int'l mktg. & licensing; Wayne K. Bright, v.p.-finance & treasurer; Donald D. Rigano, v.p.-operations; William T. Loftus, v.p.-processing & distribution; Harold S. Feinbloom, administrative v.p. & secretary; Edward A. After, v.p.-mktg. & sales; Nicholas DeLuca, v.p.-procurement; Edward J. Quirk, controller

Directors: Joseph P. Fox*, Angelo A. Costanza, Charles E. Fancher, Harold S. Feinbloom*, John C. Reid, Robert Van Buren, Richard M. Geisler*, Sanford J. Liebschutz, John J. Tanis.

* Member of the Executive Committee

Business Activities: Engaged in the production, processing and distribution of athletic uniforms, physical education wear, campus wear, camp wear, and leisure wear. Operates a chain of factory outlet stores located in New York and Oregon.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CHAP (NASDAQ)

Number of Stores: (at fiscal year ended)

1979	11	1976	9
1978	11	1975	9
1977	10		

Sales and Earnings

	Net Sales	Net Income
1979	$ 92,843,350	$ 3,121,859
1978	80,526,134	2,668,051
1977	74,347,385	2,095,705†
1976	69,322,304	2,107,321
1975	62,385,309	2,335,749

	No. of Com. Shares	Earn. per Shares ‡
1979	897,492	$3.49
1978	889,992	3.01
1977	882,992	2.38†
1976	881,992	2.39
1975	880,892	2.65

† Including extraordinary loss of $366,333 ($0.41 per share)
‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.95		
1978	0.875		
1977	0.80		
1976	0.80		
1975	0.65		

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 27,372,799	$30.50
1978	24,992,715	28.08
1977	23,006,864	26.06
1976	21,602,521	24.49
1975	20,178,303	22.91

Income Account

Year ended Dec. 31	1979	1978
Net sales	$ 92,843,350	$ 80,526,134
Cost of sales	68,097,003	59,295,194
Expenses	18,826,488	16,219,930
Income before taxes	$ 5,919,859	$ 5,011,010
Income taxes	2,798,000	2,342,959
Net Income	$ 3,121,859	$ 2,668,051

Assets

As of Dec. 31	1979	1978
Cash	$ 3,215,907	$ 1,635,560
Accts. receiv., net	15,793,676	14,786,604
*Inventories	23,191,767	22,415,123
Other assets	360,238	373,451
Current Assets	$ 42,561,588	$ 39,210,738
≠Fixed assets	7,981,173	8,039,410
Total Assets	$ 50,542,761	$ 47,250,148

Liabilities

Notes payable	$ 2,750,000	$ 3,000,000
Long-term debt, curr.	856,000	856,000
Accts. payable	3,920,858	3,472,454
Accruals	1,438,807	790,255
Accrued payroll	2,450,387	2,002,257
Dividends payable	224,373	200,248
Other liabilities	1,885,537	1,436,219
Curr. Liabilities	$ 13,525,962	$ 11,757,433
Long-term debt	9,644,000	10,500,000
+Common stock	897,492	889,992
Add. paid-in capital	5,018,559	4,916,904
Retained earnings	21,456,748	19,185,819
Total Liabilities & Shareholders' Equity	$ 50,542,761	$ 47,250,148

* At lower of cost (FIFO) or market
≠ Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	6.38	6.22
%Net Income to Sales	3.36	3.31
%Net Income to Equity	11.40	10.6[illegible]
Sales to Inventories	4.00	3.[illegible]
Working Capital	$ 29,035,626	$ 27,453,[illegible]
Current Ratio	3.15	3.33
Shareholders' Equity	$ 27,372,799	$ 24,992,715

Charming Shoppes, Inc.

450 Winks Lane
Bensalem, Pennsylvania 19020
(215) 245-9100

Officers: Morris Sidewater, president & chief executive officer; David Wachs, secretary, treasurer & chairman of the board; Arthur Sidewater, Ellis Wachs, exec. vice presidents; Richard Dollinger, Manuel Ginsburg, Richard DeRose, Samuel Stewart, Steven Sidewater, Samuel Sidewater, Herbert Vederman, Stephen Wolfson, Philip Wachs, vice presidents; Bernard Brodsky, vice president, asst. secretary & controller; Lionel Savadove, v.p. & general counsel.

Directors: David Wachs, chairman; Morris Sidewater, Arthur Sidewater, Ellis Wachs.

Business Activities: Operates women's specialty stores under the names Charming Shoppes and Fashion Bug. These stores are located in Delaware, Maryland, Kentucky, New Jersey, Pennsylvania, Ohio, New York, North Carolina, Georgia, Indiana, South Carolina, Virginia, West Virgina, Tennessee and Michigan.

Transfer Agent(s):

American Bank and Trust Co. of Pa.
Reading, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CHRS (NASDAQ)

Number of Stores: (at fiscal year end)

1980	159	1977	68
1979	119	1976	58
1978	87		

Sales and Earnings

	Net Sales	Net Income
1980	$103,915,000	$ 8,240,000
1979*	85,188,000	7,001,000
1978	59,349,000	4,338,000
1977	48,169,377	2,859,962
1976	40,066,294	1,978,060

	No. of Com. Shares ‡	Earn. per Share ‡
1980	8,274,348	$1.00
1979	8,274,156	0.85
1978	8,259,020	0.53
1977	8,247,396	0.35
1976	8,349,984	0.24

* 53 weeks
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980			
1979			2-for-1 & 2-for-1
1978			3-for-2
1977		20%	

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 29,998,000	$3.63
1979	22,979,000	2.78
1978	16,721,000	2.02
1977	12,921,118	1.57
1976	10,424,948	1.25

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Income Account*

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$103,915,000	$ 85,188,000
Cost of sales	69,513,000	56,801,000
Expenses	18,382,000	14,379,000
Income before taxes	$ 16,020,000	$ 14,008,000
Income taxes	7,780,000	7,007,000
Net Income	$ 8,240,000	$ 7,001,000

* Included in Costs and Expenses, Depreciation and Amortization: $963,000 in 1980 and $692,000 in 1979.

Assets

As of	2/2/80	2/3/79
Cash and deposit	$ 1,651,000	$ 1,867,000
Marketable securities	16,194,000	10,030,000
Accts. receiv., net		5,401,000
*Inventories	11,751,000	9,239,000
Other assets	3,099,000	1,679,000
Current Assets	$ 32,695,000	$ 28,216,000
≠Fixed assets	12,974,000	10,985,000
Total Assets	$ 45,669,000	$ 39,201,000

Liabilities

Long-term debt, curr.	$ 360,000	$ 270,000
Accts. payable	6,484,000	5,796,000
Accruals	2,986,000	2,762,000
Income taxes	2,653,000	3,896,000
Curr. Liabilities	$ 12,483,000	$ 12,724,000
Long-term debt	2,970,000	3,300,000
Deferred taxes	218,000	168,000
+Common stock	827,000	826,000
Add. paid-in capital	3,263,000	3,245,000
Retained earnings	25,908,000	18,908,000
Total Liabilities & Shareholders' Equity	$ 45,669,000	$ 39,201,000

* At lower of cost or market, by the retail method (FIFO).
≠ Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.42	16.44

%Net Income to Sales	7.93	8.22
%Net Income to Equity	27.47	30.47
Sales to Inventories	8.84	9.22
Working Capital	$ 20,212,000	$ 15,492,000
Current Ratio	2.62	2.22
Shareholders' Equity	$ 29,998,000	$ 22,979,000

Child World, Inc.

25 Littlefield Street
Avon, Massachusetts 02322
(617) 588-7300

Officers: Sidney Shneider, president & chief executive officer; Donald F. Boudreau, exec. v.p.-administration & finance; Bruno R. Ferretti, exec. v.p.-operations; Robert I. Reznikoff, William B. Shannon, Alvan S. Weiner, sr. v.p.'s; Lester Cohen, Louis Yaffa, William Kristal, v.p.'s-merchandising; Charles N. Segelman, v.p.-advertising; Gary D. Drake, v.p.-store operations; Herbert J. Hodus, v.p.-distribution; Martin Potts, v.p.-real estate; Edward O'Brien, v.p.-M.I.S.; Raymond Unzeld, v.p.-loss prevention; Peter Demakis, treasurer; John Beard, clerk.

Directors: Sidney Shneider, chairman; Joseph Arnesano, John E. Beard, Alvan Weiner, Donald F. Boudreau, Daniel Coven, William E. Kelley, Joseph C. McNay, Bruno R. Ferretti, David Casty, Frank Remick.

Business Activities: Operates a chain of retail stores which sell baby furniture, toys and bicycles. These stores operate under the names Child World, and Children's Palace. Stores are located in Massachusetts, Connecticut, Maine, New Hampshire, Rhode Island, New York, New Jersey, Ohio, Pennsylvania, Indiana, Kansas, Kentucky, Missouri, Illinois and Minnesota.

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts 02102

Stock Exchange(s): American

Ticker Symbol: CWI

Number of Stores: (at fiscal year end)

1980	67	1977	58
1979	60	1976	52
1978	65		

Sales and Earnings

	Net Sales	Net Income
1980	$158,479,498	$ 3,737,595
1979	139,777,508	3,303,911
1978	122,619,580	911,000
1977	100,869,283	2,666,000
1976	88,980,692	3,249,000

	No. of Com. Shares ≠	Earn. per Share ≠
1980	2,081,916	$1.80
1979	2,075,217	1.59
1978	2,072,357	0.44
1977	2,068,768	1.29
1976	2,062,879	1.57

≠ Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ≠
1980	$ 29,251,890	$14.05
1979	25,451,684	12.26
1978	22,116,765	10.67

≠ Based on average number of shares outstanding.

Income Account *

Year ended	2/2/80	2/3/79
Net sales	$158,479,498	$139,777,508
Other income	736,775	891,384
Total income	$159,216,273	$140,668,892
Cost of sales	107,647,511	94,051,302
Expenses	31,188,012	26,986,003
Interest expense	257,177	449,132
Other expenses	12,409,831	11,986,722
Capital lease charges	767,147	638,822
Income before taxes	$ 6,946,595	$ 6,646,911
Income taxes	3,209,000	3,343,000
Net Income	$ 3,737,595	$ 3,303,911

* Included in Costs and Expenses: Depreciation and Amortization: $4,146,618 in 1980 and $3,782,051 in 1979.

Assets

As of	2/2/80	2/3/79
Cash & short-term invest.	$ 5,438,039	$ 11,968,912
* Inventories	35,828,115	24,445,168
Prepaid expenses & other assets	2,619,870	1,888,981
Current Assets	$ 43,886,024	$ 38,303,061
= Fixed assets	11,361,314	9,288,080
Capital leases	32,727,054	30,484,702
Other assets	246,859	157,083
Deferred inc. taxes	1,101,000	921,000
Total Assets	$ 89,322,251	$ 79,153,926

Liabilities

Accts. payable	$ 18,352,420	$ 13,058,402
Income taxes	3,073,351	3,105,542
Compensation & related taxes	936,854	1,459,222
Long-term debt: curr.	300,000	300,000
Capital lease oblig., curr.	1,559,480	1,528,194
Curr. Liabilities	$ 24,222,105	$ 19,451,360
Long-term debt	1,500,000	1,800,000
Capital lease oblig.	34,348,256	32,450,882
+ Common stock	208,363	207,638
Add. paid-in capital	8,215,871	8,168,601
Retained earnings	20,909,219	17,171,624
Unearned compensation	(81,563)	(96,179)
Total Liabilities & Shareholders' Equity	$ 89,322,251	$ 79,153,926

* At lower cost (LIFO) or market.
= Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.38	4.76
%Net Income to Sales	2.36	2.36
%Net Income to Equity	12.78	12.98
Sales to Inventories	4.42	5.72
Working Capital	$ 19,663,919	$ 18,851,701
Current Ratio	1.81	1.97
Shareholders' Equity	$ 29,251,890	$ 25,451,684

Chromalloy American Corporation

120 S. Central Avenue
St. Louis, Missouri 63105
(314) 726-9200

Officers: Richard L. Wachtell, chairman of the board & chief exec. officer; Frank P. Nykiel, vice chairman of the board & chief financial officer; Martin Epner, president & chief operating officer; William B. Roberts, exec. v.p.-administration, general counsel & secretary; Thomas E. Monroe, exec. v.p.-corp. development; Thomas G. Barnett, v.p. & controller; A.W. Clubb, v.p.-personnel & admn.; Richard L. Lich, v.p.-business planning; Judith A. Lorenson, v.p.-public affairs; Angelo M. Pezzani, v.p. & assoc. general counsel; Carl K. Sherman, treasurer.

Directors: Wesley J. Barta*, Murray Fischel, Jack G. Merrell, F. Van S. Parr, Dominick J. Giacoma, E.H. Newman, Frank P. Nykiel*, D.W. Rhea, Craig Stevenson*, Sidney Traurig, Richard L. Wachtell*, Robert Bennett*, A.J. de Mayo, Andrew A. Kole, Maurice H. Saval, Raymond C.L. Greer*

* Member of Executive Committee

Product Groups; Divisions & Subsidiaries:

Consumer Products & Services Co.
1034 So. Brentwood
St. Louis, Missouri 63117
Prefabricated steel storage and utility buildings, rubber and vinyl footwear, homebuilding modular components and materials, safety and survival devices, radio transmitting beacons and flashlights.

Building Products Company
250 King Manor Drive
King of Prussia, Pennsylvania 19406
Fabrication, installation and distribution of glass and aluminum-glass building materials; distribution of glass pipe and fittings, manufacture of mirrors, manufacture of insulated glass window components, general housing materials and lumber sales, prefabricated lumber building components and millwork.

Textile - Apparel Company
122 Fifth Avenue
New York, New York 10011
Production of cotton and cotton/polyester blend fabrics from raw bale cotton and polyester; dyeing and finishing cotton and synthetic materials used in the manufacture of sleeping bags, tents, outdoor cushions and similar items; dyeing and chemically processing cotton textiles for the purpose of making the material water repellent, mildew resistant and fire retardant; dyeing, texturizing and processing synthetic filament yarns, including rayon, acetate, nylon and polyester for the manufacture of carpeting and hosiery and for knitting, weaving, sewing and embroidery; importing and selling greige and finished goods to various domestic textile users; dyeing, printing, backcoating and finishing tufted rugs and carpets; through a "joint venture" subsidiary, designs and merchandises a complete line of men's suits, sport coats and slacks under the "Clubman", "Marx-Haas" and Hampton Heath" labels and under retailer's private labels; operates 76 specialty apparel stores, located in enclosed mall shopping centers in seventeen states principally west of the Mississippi River, under the store names of K-G Men's Store, Miss K-G and K-G Bootery. Also operates 61 self-service retail stores based in Texas under the name K. Wolens Stores, Bottom Dollar Stores, K's Thrift Centers and K's Shoe Stores, offering men's, ladies and children's clothing and certain other household items.

Metal Tectonics Company
Blaisdell Road
Orangeburg, New York 10962
Sophisticated diffusion systems for coating metal, proprietary turbine engine component repair; specialized airfoil castings; machineable ferrous carbides; decorative finishing of coil aluminum and steel; grey, ductile, and malleable iron castings; aluminum castings; vehiclar radiator cores; electrical and electronic connectors; water conditioning equipment; heavy and light metal fabrication, flashlight applications.

Transport-Marine Company
120 South Central Avenue
St. Louis, Missouri 63105
Movement of regulated and bulk commodities by barge and tanker, urban and suburban bus transportation.

Farm and Industrial Equipment Company
Shelard Plaza
St. Louis Park, Minnesota 55426
Agricultural implements for preparing and cultivating soil, harvesting, handling corps and animal feed, tractor-attached implements; silos and related equipment, specialized truck bodies.

Petroleum Services
P.O. Box 7036
Houma, Louisiana 70361
Mining of barite, an essential component of drilling compounds, manufacture and sale of drilling fluids (Mud) and related chemicals; fabrication of structural steel for industrial and light commercial construction; reworking of tubular goods used in oil drilling and production, pipe testing and pipe sales; engineering, designing, fabricating and installing custom-built water treatment systems for municipalities and operators of electrical and other production facilities with water control and environmental

problems; fabrication, installation and repair of petroleum production equipment, such as offshore drilling platforms and other production accessories used in oil and gas programs both on and offshore; manufacture and sale of oil field exploration and production equipment such as cementing tools and paraffin scrapers, hard-facing valves and seats as well as repairs to industrial control valves, repair of industrial gas compressors including manufacture and remanufacture of component parts; performance of welding and machine shop services for a variety of industrial customers; plug and abandonment of depleted oil and gas wells; designing, engineering, and manufacturing fire fighting systems; retail outlets are operated in principal locations in the United States to service oil drilling and producing companies with a large variety of tools, welding and safety supplies as well as proprietary products; construction, repair and reconditioning of boats and other marine equipment used in offshore production, transportation, fishing, exploration and inland tugs and barges.

Transfer Agent(s):

Irving Trust Company
1 Wall Street
New York, New York 10015

Mercantile Trust Company, National Association
One Mercantile Center
St. Louis, Missouri 63101

Stock Exchange(s): New York

Ticker Symbol: CRO

Number of Stores: (at fiscal year end)

1979	131	1976	115
1978	131	1975	62
1977	131		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1979	$ 1,536,489	$ 50,554
1978	1,396,811	47,420
1977	1,134,856	37,673
1976	937,262	28,085
1975	791,400	21,707

	No. of Com. Shares ≠	Earn. per Share ≠
1979	12,207,000	$3.60
1978	11,377,000	3.55
1977	10,682,000	3.06
1976	10,157,000	2.41
1975	10,013,000	1.87

+ Includes operating revenues.
≠ Based on average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Metal fabrication	$ 329,900	$ 267,582
Transportation	244,096	194,729
Textile-apparel	224,535	205,630
Farm equip.	164,020	129,740
Petroleum serv.	234,073	212,593
Indust./Commercial prods.	339,865	386,537
Total	$ 1,536,489	$ 1,396,811

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.10		
1978	1.05		
1977	0.96		
1976	0.805		
1975	0.70		

Common Stock Equity

	Total Equity‡	Equity Per Share†
1979	$317,511,000	$20.83
1978	266,715,930	19.11
1977	226,641,464	17.67
1976	194,683,670	16.57

‡ After allowing for preferred stock at involuntary liquidation value.
† Based on average number of common shares and common share equivalents outstanding.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales & oper. revenues	$ 1,536,489	$ 1,396,811
Other income	16,680	9,533
Total Income	$ 1,553,169	$ 1,406,344
Cost of sales & oper. expenses	1,139,008	1,000,289
Other expenses	255,679	258,290
Depreciation	34,856	32,853
Interest expense	43,358	35,832
Other charges	3,016	4,464
Income before taxes	$ 77,252	$ 74,616
Income taxes	34,036	34,164
Minority interest	(7,338)	(6,968)
Net Income	$ 50,554	$ 47,420

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 31,095	$ 18,072
Receiv., net	188,479	181,940
*Inventories	247,856	239,522
Prepaid expenses	25,933	17,487
Current Assets	$ 493,363	$ 457,021
Investments	43,550	33,062
Receivables	9,062	10,670
≠Fixed assets	373,266	356,723
Defer. charges & intangibles	30,879	35,989
Total Assets	$ 950,120	$ 893,465

Liabilities
(000's)

	1979	1978
Long-term debt, curr.	$ 33,417	$ 31,489
For credit facilities	4,955	2,239
Accts. payable	134,229	130,169
Accruals	67,852	52,115
Dividends payable	5,081	4,994
Income taxes	23,603	24,953
Curr. Liabilities	$ 269,137	$ 245,959
Long-term debt	274,557	284,394
Deferred inc. taxes	27,928	26,721
Other deferred liabilities	10,326	9,277
+ Preferred stock	1,215	1,451
+ + Common stock	12,949	11,474
Add. paid-in capital	110,545	101,212
Retained earnings	243,386	212,916
Unreal. invest. gains	77	61
Total Liabilities & Shareholders' Equity	$ 950,120	$ 893,465

* At lower of cost (FIFO) or replacement market.
≠ Less accumulated depreciation.
+ $1 par value, $5 cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.03	5.34
%Net Income to Sales	3.29	3.39
%Net Income to Equity	13.73	14.50
Working Capital	$224,226,000	$211,062,000
Current Ratio	1.83	1.86
Shareholders' Equity	$368,172,000	$327,114,000

The Circle K Corporation

900 Magoffin Avenue
El Paso, Texas 79901
(915) 532-4974

4500 South 40th Street
Phoenix, Arizona 85040
(602) 268-1351

Mailing address:
P.O. Box 20230
Phoenix, Arizona 85036

Officers: Fred T. Herves, chairman of the board; Robert E. Hutchinson, president; P. Howard Cyr, v.p.-store operations; James H. Johnson, v.p.-Central Region; William H. Remmers, v.p.-overseas operations; Thomas N. Kovacevic, v.p.-East Region; Robert H. Stahl, v.p.-merchandising & advertising; Bill J. Farmer, v.p.-finance & treasurer; Jack Lenz, v.p.-distribution centers; Jack Kososkie, dir.-Northwest Region; L.F. Beard, secretary; Phyllis Fenly, James Sapanaro, asst. secretaries.

Directors: Fred T. Hervey, chairman; Raymond F. Hayes, Herman R. Fenstermacher, Stephan L. Feinberg, William G. Sullivan, W.J. McDuffee, John Campbell Schweitzer.

Business Activities: Operates a chain of convenience food stores in California, Arizona, New Mexico, Texas, Idaho, Nevada, Oregon, Montana, Colorado, Oklahoma, Utah and Washington.

Transfer Agent(s):

El Paso National Bank
El Paso, Texas

Chemical Bank
New York Trust Company
New York, New York

Republic National Bank
Dallas, Texas

Stock Exchange(s): American

Ticker Symbol: CKP

Number of Stores*: (at fiscal year end)

1980	2,000	1977	1,070
1979	1,158	1976	1,049
1978	1,105		

* Includes contract operated stores.

Sales and Earnings

	Net Sales ‡	Net Income
1980	$533,103,000	$ 16,948,000
1979	438,559,000	10,678,000
1978	363,783,000	7,876,000
1977	302,602,439	6,566,000
1976	262,362,278	4,777,000

	No. of Com. Shares ‡‡	Earn. per Share‡‡
1980	9,787,858	$1.73
1979	9,724,690	1.10
1978	9,687,582	0.81
1977	9,646,414	0.68
1976	9,597,868	0.50

‡ Includes contracts operated stores.
‡‡ Based on weighted average number of common shares and common share equivalents outstanding.

The Circle K Corporation

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.58	—	2-for-1
1979	0.49	—	—
1978	0.39	—	—
1977	0.26	—	—
1976	0.16	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 62,688,000	$6.40
1979	50,817,000	5.23
1978	44,676,000	4.61

‡ Adjusted to reflect stock split.

Income Account*

Year ended April 30	1979	1978†
Net sales	$438,559,000	$363,783,000
Cost of sales	320,647,000	266,400,000
Expenses	96,949,000	81,221,000
Oper. profit	$ 20,963,000	$ 16,162,000
Other income	2,709,000	2,526,000
Total	$ 23,672,000	$ 18,688,000
Interest expense	3,968,000	3,830,000
Other charges	76,000	82,000
Income before taxes	$ 19,628,000	$ 14,776,000
Income taxes	8,950,000	6,900,000
Net Income	$ 10,678,000	$ 7,876,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,678,000 in 1979 and $6,699,000 in 1978.
† Restated to reflect capitalization of leases.

Assets

As of April 30	1979	1978 †
Cash	$ 12,145,000	$ 6,232,000
Receivables, net	3,340,000	3,188,000
*Inventories	25,997,000	23,342,000
Prepaid expenses	46,000	583,000
Prop. held for sale	12,094,000	207,000
Current Assets	$ 53,622,000	$ 33,552,000
#Fixed assets	74,859,000	68,606,000
Other assets	5,503,000	5,567,000
Deposits	4,743,000	4,015,000
Total Assets	$138,727,000	$111,740,000

Liabilities

Long-term debt, curr.	$ 182,000	$ 203,000
Oblig. under cap. leases, curr.	1,685,000	1,499,000
Accts. payable	16,764,000	10,999,000
Accruals	3,075,000	2,056,000
Accrued payroll	2,659,000	1,058,000
Income taxes	2,263,000	1,330,000
Money orders sold	3,645,000	3,444,000
Curr. Liabilities	$ 30,273,000	$ 20,589,000
Long-term debt	25,341,000	13,552,000
Oblig. under cap. leases	31,874,000	32,459,000
Other liabilities	422,000	464,000
+Common stock	4,935,000	4,905,000
Add. paid-in capital	14,090,000	13,929,000
Retained earnings	32,483,000	26,533,000
Treasury stock	(691,000)	(691,000)
Total Liabilities & Shareholders' Equity	$138,727,000	$111,740,000

* At lower of cost (retail method) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
† Restated to reflect capitalization of leases.

Statistical Summary

%Income bef. Taxes to Sales	4.48	4.06
%Net Income to Sales	2.43	2.17
%Net Income to Equity	21.01	17.63
Sales to Inventories	16.87	15.58
Working Capital	$ 23,349,000	$ 12,963,000
Current Ratio	1.77	1.63
Shareholders' Equity	$ 50,817,000	$ 44,676,000

City Stores Company

500 Fifth Avenue
New York, New York 10036
(212) 730-0700

Officers: Jack Farber, chairman of the board; Roman A. Rubinstein, senior vice president; A. Albert Assa, exec. vice president & chief operating officer; Dan Lincove, Herbert N. Raab, Jerome Sklar, Morton Siegenfeld, vice presidents; James M. Kearns, vice president- operations; Jerold I. Braun, vice president- personnel; Stephen V. Dubin, v.p., secretary & general counsel; Joseph Macnow, vice president & chief financial officer; Richard C. Stempel, asst. secretary & house counsel.

Directors: Jack Farber, Murry C. Becker*, Willard M. Bright*, John R. Bunting, Jr.*, Bruce H. Greenfield, Ralph J. Roberts, Isidore Newman II*, William C. Warren*

* Member of Executive Committee.

Business Activities: The Company operates department stores, women's specialty stores and furniture and home furnishing stores in 17 states and the District of Columbia.

Note: *The Company has been operating under Chapter XI of the Federal Bankruptcy Act since July 27, 1979.

Department Stores:

Maison Blanche
8 stores located in New Orleans metropolitan area and Baton Rouge, Louisiana.

Loveman's
6 stores located in Alabama.

B. Lowenstein's
4 stores located in the Memphis, Tennessee metropolitan area.

R. H. White
2 stores located in Worcester and Leominster, Massachusetts.

Furniture and Home Furnishing Stores:

W & J Sloane
50 stores located in California, Connecticut, District of Columbia, New Jersey, New York, Maryland, Pennsylvania, Virginia, Texas and Georgia.

Transfer Agent(s):

The Chase Manhattan Bank
1 New York Plaza
New York, New York 10015

First Pennsylvania Bank
16th & Market Sts.
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Philadelphia

Ticker Symbol: CSS

Number of Stores: (at fiscal year end)

	Dept. Stores	Specialty Stores	Home Furnishings Stores
1980	20		50
1979	29	42	50
1978	29	42	45
1977	29	60	44
1976	40	65	42

Sales and Earnings

	Net Sales †	Net Income +
1978	$303,847,000	$ 1,128,000
1977	393,495,000	(23,556,000)
1976	380,086,000	(3,983,000)
1975	374,085,000	(5,567,000)
1974	373,267,000	105,000

	No. of Com. Shares #	Earn. per Share + #
1978	3,263,469	$0.35
1977	3,263,469	
1976	3,263,469	
1975	3,263,469	
1974	3,263,469	0.03

(Loss)
† Includes leased departments.
+ Includes extraordinary gain of $523,000 ($0.16 per share) in 1978 and $349,000 ($0.11 per share) in 1974.
# Based on average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1978	$ 51,136,000	$15.67
1977	50,008,000	15.32
1976	73,565,000	22.54
1975	77,548,000	23.76
1974	83,141,000	25.48

Income Account

Year ended	1/28/78	1/29/77
Net sales	$303,847,111	$393,494,506
Cost of sales	215,656,693	285,348,125
Expenses	77,370,449	103,531,054
Depreciation & amortization	3,880,503	5,679,052
Interest expense	5,811,569	8,192,581
Prov. for loss		15,000,000
Income (loss) before taxes	$ 1,127,897	$ (24,756,306)
Income taxes (credit)	523,000	(1,200,000)
Net Income (Loss)	$ 604,897	$ (23,556,306)
Extraord. gain	523,000	
Net Income (Loss) & extraord. gain	$ 1,127,897	$ (23,556,306)

Assets

As of	1/28/78	1/29/77
Cash	$ 6,329,456	$ 6,404,114
Accts. receiv., net	38,350,107	90,611,889
*Inventories	48,422,402	53,039,972
Prepaid expenses	5,157,536	4,208,978
Prop. & equip. held for sale	4,698,738	
Current Assets	$102,958,239	$154,264,953
Investments & other assets	22,218,746	30,249,142
#Fixed assets	36,409,289	40,459,952
Total Assets	$161,586,274	$224,974,047

Liabilities

Long-term debt, curr.	$ 3,982,121	$ 2,746,970
Maturities of loans pay.	14,500,000	18,000,000
Accrued loss on clos.	2,182,000	6,750,000
Accts. payable & accruals	41,530,635	40,541,036
Curr. Liabilities	$ 62,194,756	$ 68,038,006
Long-term debt	31,954,451	42,297,681
Loans payable		45,000,000
Deferred items	16,300,726	19,629,916
+Common stock	16,317,345	16,317,345
Add. paid-in capital	21,838,046	21,838,046
Retained earnings	12,980,950	11,853,053

Total Liabilities & Shareholders' Equity	$161,586,274	$224,974,047

* At lower of cost (FIFO) or market or at LIFO cost
# Less accumulated depreciation and amortization
+ $5 par value

Statistical Summary

%Income bef. Taxes to Sales	0.37	
%Net Income to Sales	0.20	
%Net Income to Equity	1.18	
Working Capital	$ 40,763,483	$ 86,226,947
Current Ratio	1.66	2.27
Shareholders' Equity	$ 51,136,341	$ 50,008,444

Cluett, Peabody & Co., Inc.

Corporate Offices
510 Fifth Avenue
New York, New York 10036
(212) 930-3000

General Offices
433 River Street
Troy, New York 12180

Officers: Henry H. Henley, Jr., chairman & chief executive officer; Gordon E. Allen, president; James J. Dunne, vice-chairman; Cochran B. Supplee, D. Michael Roark, vice presidents; Robert M. Dale, group v.p., Roy E. Green, v.p. & controller; Robert D. Krumme, v.p. & secretary & general counsel; Irwin W. Winter, v.p.-finance & treasurer; Charles E. Hockford, Patrick F. Walsh, Jackson L. Sothern, asst. treasurers; Ronald G. Heller, asst. secretary; Nicholas V. Pallotta, David A. Rinaldi, asst. controllers.

Directors: Gordon E. Allen, Howard L. Clark, James J. Dunne, E. Hervey Evans, Jr., Henry H. Henley, Jr., Robert J. McDonald, Betty M. McFadden, John L. Weinberg, John C. Emery, Jr., Richard L. Gelb, Lloyd D. Hall, William T. Seawell.

Business Activities: Markets a variety of apparel and related items, operating in four basic areas: brand-name merchandise, private label and chain store merchandise, retailing, and international and licensing. The company is composed of the following operational groups: The Arrow Company, which manufactures and sells shirts bearing the "Arrow" trademark; the Retail Stores Division, which operates men's and women's specialty stores across the country; The Sanforized Company which licenses the textile industry throughout the world to use its trademarks "Sanforized," "Sanforized-Plus," "Sanfor-Set," and "Sanfor-Knit"; J. Schoeneman, which manufactures and sells under the private labels of its customers, men's suits, sport coats and slacks; Clupak, Inc. (50% owned) which licenses the paper industry to use its patents, trademarks, and technical knowhow in the production of extensible paper; Fischer Mills Company, which manufactures tricot knit fabrics; Spring City Knitting Company, manufacturers of men's and boy's knit underwear; Alatex, Inc., manufacturer of men's dress shirts to the specifications of retailers; Great American Knitting Mills, Inc. manufacturer of men's quality hosiery under the "Gold Toe" and "Arrow" names; Saturdays in California, manufacturer of young men's sportswear; Glentex, importer of women's scarves, accessories and gloves; Lady Arrow, manufacturers of women's and young women's blouses and sportswear; Jet Sew, Inc., develops and markets labor-saving technology in apparel and related fields; RPM Fashions, Inc., markets casual pants, jeans and furnishings to youth-oriented specialty stores, department and chain stores; Halston For Men, manufacturers of suits, slacks, sport jackets; Continental Hosiery Mills, manufacturers of men's and boys' socks and women's knee-high hosiery; operations of Cluett, Peabody & Co. of Canada, Ltd., include: The Arrow Company (a division), manufacturer of Arrow shirts; Fergusson Atlantic, men's knitted underwear; Warren Knit, men's sweaters and Van Raalte of Canada, ladies' lingerie products. Dobie Originals, girls' active sportswear; Donmoor, Inc., boys' sportswear; Duofold Inc., mens' and women's thermal underwear and turtlenecks; Ruffini sportswear, designer mens' related shirts, sweaters, jackets and trousers. Cluett, Peabody International is engaged in the sale of Cluett products abroad, whether by export licensing or foreign manufacture.

Divisions & Subsidiaries:

Glentex
417 Fifth Avenue
New York, New York 10016
(212) 686-4424

Lady Arrow
1407 Broadway
New York, New York 10018
(212) 921-4500

Fischer Mills
35 Electric Avenue
Secaucus, New Jersey 07094
(201) 865-2142

Alatex, Inc.
620 River Falls Street
Andalusia, Alabama 36420
(205) 222-7521

The Arrow Company
530 Fifth Avenue
New York, New York 10036
(212) 930-2900

Cluett, Peabody & Co. of Canada, Ltd
45 St. Clair Ave. West
Toronto M4V 1K9, Ontario, Canada
(416) 920-9911

Fergusson Atlantic
1118 St. Catherine Street
Montreal, H3B 1H5 Quebec, Canada
(514) 879-1285

Warren Knit
234 Bunting Road, Box 875
St. Catharines L2R 6Z8 Ontario, Canada
(416) 682-7295

J. Schoeneman
9818 Reisterstown Road
Owings Mills, Maryland 21117
(301) 363-0100

Spring City Knitting Co.
475 No. Lewis Road
Roversford, Pennsylvania 19468
(215) 948-9400

Great American Knitting Mills
350 Fifth Avenue
New York, New York 10001
(212) 563-2690

Clupak, Inc. (50% owned)
530 Fifth Avenue
New York, New York 10036
(212) 930-3075

Cluett, Peabody International
530 Fifth Avenue
New York, New York 10036
(212) 930-3000

Saturdays in California
280 Valley Drive
Brisbane, California 94005
(415) 468-1900

Jet Sew, Inc.
P.O. Box 326
Barneveld, New York 13304
(315) 896-2919

RPM Fashions, Inc.
350 Fifth Avenue
New York, New York 10001
(212) 564-2010

Halston For Men
1290 Avenue of Americas
New York, New York 10019
(212) 586-8713

Dobie Originals
470 Seventh Avenue
New York, New York 10018
(212) 239-8950

Donmoor, Inc.
34 West 33rd Street
New York, New York 10001
(212) 594-3260

Duofold Inc.
Mohawk, New York 13407
(315) 866-4000

Ruffini Sportswear
1290 Avenue of the Americas
New York, New York 10019
(212) 489-9780

Continental Hosiery Mills
P.O. Box 248
Henderson, North Carolina 27536
(919) 438-7151

Retail Stores Division

Lytton's
235 South State Street
Chicago, Illinois 60604
(312) 922-3500

Van Raalte
P.O. Box 3120
London N6A 4J4, Ontario, Canada
(519) 455-5340

Boyd's
Sixth & Olive
St. Louis, Missouri 63101
(314) 621-8000

The Metropolitan Company
126 North Main Street
Dayton, Ohio 45402
(513) 222-2561

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): New York, Boston, Phila-Balt-Wash.

Ticker Symbol: CLU

Number of Stores: (at fiscal year end)

1979	28	1976	44
1978	28	1975	60
1977	30		

Sales and Earnings †

	Net Sales # (000's)	Net Income (000's)
1979	$ 680,227	$ 17,377
1978	584,201	18,087
1977	598,415	19,099
1976	589,506	16,921
1975	527,409	12,172

	No. of Com. Shares	Earn. per Share ‡
1979	8,848,029	$1.78
1978	8,868,490	1.86
1977	8,835,975	1.98
1976	8,826,174	1.73
1975	8,769,935	1.21

† Restated to reflect change in accounting method.
# Includes Net Sales, royalties and other income.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.62	—	—
1978	0.60	—	—
1977	0.525	—	—
1976	0.40	—	—
1975	0.30	—	—

Cluett, Peabody & Co., Inc.

Common Stock Equity †

	Total Equity ‡	Equity Per Share
1979	$172,505,000	$21.08
1978	162,224,020	19.87

† Restated to reflect change in accounting method.
‡ After allowing for $1 cumulative convertible preferred stock at voluntary liquidation value of $20 per share.

Income Account *

Year ended Dec. 31	1979	1978 †
Net sales	$671,572,000	$575,587,000
Royalty income	8,551,000	8,737,000
Other income (expense)	104,000	(123,000)
Total income	$680,227,000	$584,201,000
Cost of sales	518,145,000	440,967,000
Expenses	122,210,000	103,779,000
Interest expense	11,299,000	5,073,000
Income before taxes	$ 28,573,000	$ 34,382,000
Income taxes	11,196,000	16,295,000
Net income	$ 17,377,000	$ 18,087,000

* Included in Costs and Expenses, Depreciation and Amortization: $8,421,000 in 1979 and $7,146,000 in 1978.
† Restated to reflect change in accounting method.

Assets

As of Dec. 31	1979	1978 †
Cash	$ 8,788,000	$ 9,319,000
Short-term investments	2,394,000	13,867,000
Accts. receiv., net	106,097,000	91,256,000
* Inventories	175,761,000	137,370,000
Prepaid expenses	3,506,000	5,240,000
Current Assets	$296,546,000	$257,052,000
Investments	3,221,000	3,848,000
≠ Fixed assets	48,456,000	40,494,000
Assets recorded under cap. leases	26,844,000	23,390,000
Defer. charges	5,920,000	4,598,000
Intangibles	7,797,000	5,792,000
Total Assets	$388,784,000	$335,174,000

Liabilities

	1979	1978 †
Notes payable	$ 8,282,000	$ 1,999,000
Long-term debt, curr.	3,332,000	3,373,000
Accts. payable	44,394,000	38,714,000
Accruals	27,640,000	23,414,000
Oblig. under cap. lease curr.	1,048,000	934,000
Income taxes	6,456,000	4,469,000
Curr. Liabilities	$ 91,152,000	$ 72,903,000
Long-term debt:		
Notes	54,401,000	33,445,000
4¼%Conv. subord. debt.	1,229,000	1,536,000
Reserves, compens., def. taxes & minority int.	13,952,000	13,326,000
Oblig. under Cap. lease	27,603,000	23,797,000
+ Preferred stock	1,460,000	1,460,000
+ + Common stock	9,717,000	9,694,000
Add. paid-in capital	35,817,000	35,667,000
Retained earnings	156,252,000	145,773,000
Treasury stock	(2,799,000)	(2,427,000)
Total Liabilities & Shareholders' Equity	$388,784,000	$335,174,000

† Restated to reflect change in accounting method.
* At lower of cost (average or LIFO) or market.
≠ Less accumulated depreciation.
+ $1 par value; $1 cumulative convertible.
+ + $1.08⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	4.25	5.97
%Net Income to Sales	2.59	3.14
%Net Income to Equity	8.67	9.51
Sales to Inventories	3.82	4.19
Working Capital	$205,394,000	$184,149,000
Current Ratio	3.25	3.53
Shareholders' Equity	$200,447,000	$190,167,000

Cole National Corporation

29001 Cedar Road
Cleveland, Ohio 44124
(216) 449-4100

Officers: Joseph E. Cole, chairman & chief exec. officer; Boake Sells, president & chief operating officer; Christian E. Callsen, Donald A. Bersacola, Robert G. Portman, G. Daniel Siewert, III, v.p.'s; John R. Chase, group v.p.; John F. Downie, v.p., secretary & general counsel; Jeffrey A. Cole, treasurer & chief financial officer.

Directors: Joseph E. Cole*, chairman, Jeffrey A. Cole*, Anton C.R. Dreesmann, Daniel Coven*, William H. Donaldson, David F. Leahy, Lawrence Lachman, James P. Maloney, Jr., Norton W. Rose*, Walter J. Salmon*, Belmont Towbin, George N. Aronoff, John F. Downie, Boake Sells*, Seth Taft.

* Member of Executive Committee.

Business Activities: A specialty retailer of prescription eyewear, arts and crafts, engraved gifts, keys and cookies, with over 1,500 retail outlets operating under the names of The Optical Department at Sears, The Optical Department at Montgomery Ward, Things Remembered, Key Shop, The Craft Showcase and The Original Cookie Company.

Acquisition(s):

The Original Cookie Company, Incorporated
A retailer of baked-on-the-premises cookies.

Transfer Agent(s):

AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: CLE

Number of Stores: (at fiscal year end)

	Optical Depts.	Key Shops	Things Remembered	Craft Showcase	The Original Cookie Co.
1979	430	700	299	41	52
1978	401	666	280	42	37
1977	373	619	256	42	28
1976	333	578	231	29	
1975	304	557	201	17	

Sales and Earnings

	Net Sales †	Net Income
1980	$158,030,000	$ 5,733,000
1979	145,586,000	5,032,000
1978	116,943,000	4,535,000
1977	91,546,000	4,607,000
1976	74,150,000	1,808,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,365,000	$2.42
1979	2,359,000	2.13
1978	2,339,000	1.94
1977	2,313,000	1.99
1976	2,187,000	0.77

† Of continuing operations.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.70		
1979	0.63		
1978	0.60		
1977	0.559		
1976	0.545		

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1980	$ 25,889,000	$10.95
1979	21,711,000	9.20
1978	18,004,000	7.70
1977	27,286,000	11.80
1976	23,955,000	10.95

† After allowing for preferred stock at aggregate preference value.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended	1/26/80	1/27/79
Net sales	$158,030,000	$145,586,000
Cost of sales	49,177,000	45,192,000
Expenses	93,919,000	86,898,000
Depreciation & amortization	4,242,000	3,423,000
Interest expense	427,000	624,000
Income before taxes	$ 10,265,000	$ 9,449,000
Income taxes	4,532,000	4,417,000
Net Income	$ 5,733,000	$ 5,032,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,242,000 in 1980 and $3,423,000 in 1979.

Assets

As of	1/26/80	1/27/79
Cash & cash invest.	$ 10,840,000	$ 11,343,000
Accts. receiv., net	5,841,000	4,945,000
* Inventories	14,919,000	13,157,000
Prepaid expenses	1,031,000	1,081,000
Current Assets	$ 32,631,000	$ 30,526,000
≠ Fixed assets	24,443,000	20,968,000
Other assets	1,006,000	2,055,000
Intangibles	2,698,000	2,881,000
Total Assets	$ 60,778,000	$ 56,430,000

Liabilities

	1/26/80	1/27/79
Long-term debt, curr.	$ 271,000	$ 178,000
Accts. payable	5,381,000	6,017,000
Accruals	7,925,000	7,656,000
Income taxes	2,171,000	1,797,000
Curr. Liabilities	$ 15,748,000	$ 15,648,000
Long-term debt	14,758,000	14,737,000
Deferred inc. taxes & credit	1,203,000	1,154,000
+ Serial Preferred stock	1,445,000	1,445,000
+ + Common stock	1,123,000	1,119,000
Add. paid-in capital	5,962,000	5,862,000
Retained earnings	20,622,000	16,590,000
Treasury stock	(83,000)	(125,000)
Total Liabilities & Shareholders' Equity	$ 60,778,000	$ 56,430,000

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $5 par value.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.50	6.49
%Net Income to Sales	3.63	3.46

%Net Income to Equity	19.72	20.22
Sales to Inventories	10.59	11.07
Working Capital	$ 16,883,000	$ 14,878,000
Current Ratio	2.07	1.95
Shareholders' Equity	$ 29,069,000	$ 24,891,000

Color Tile, Inc.

1700 One Tandy Center
Fort Worth, Texas 76102
(817) 870-9400

Officers: John A. Wilson, chairman of the board, president & chief executive officer; Eugene L. Simon, v.p. & chief operating officer; Ray A. Johnson, v.p. & treasurer; Eddie M. Lesok, v.p. & secretary.

Directors: John A. Wilson, chairman of the board; Jesse L. Upchurch, Eugene L. Simon, Amon G. Carter.

Business Activities: Operates home improvement centers nationwide. Products sold include paint, wallpaper, vinyl floors, vanities, ceramics and carpet tile.

Subsidiary:

Color Tile Supermart, Inc.
Conducts the retail operations of the Company.

Transfer Agent(s):

First National Bank
Fort Worth, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TILE (NASDAQ)

Number of Stores: (at fiscal year end)

1979	370	1978	307

Sales and Earnings

	Net Sales	Net Income
1979	$153,031,000	$ 10,763,000
1978	111,052,000	6,692,000
1977	83,568,000	4,398,000
1976	61,367,000	2,572,000
1975	45,582,000	1,692,000

	No. of Com. Shares †	Earn. per Share †
1979	4,800,000	$2.24
1978	4,025,000	1.66
1977	4,025,000	1.09
1976	4,025,000	0.64
1975	4,025,000	0.42

† Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 48,712,000	$9.75
1978	14,383,000	3.57

Income Account*
(000's)

Year ended June 30	1979	1978
Net sales	$ 153,031	$ 111,052
Cost of sales	70,350	51,204
Expenses	56,823	41,479
Depreciation & amortization	2,634	2,123
Interest expense	2,473	3,092
Income before taxes	$ 20,751	$ 13,154
Income taxes	9,988	6,462
Net Income	$ 10,763	$ 6,692

Assets
(000's)

As of June 30	1979	1978
Cash	$ 4,603	$ 298
Accts. receiv., net	2,067	1,222
*Inventories	40,081	28,344
Other assets	1,350	438
Current Assets	$ 48,101	$ 30,302
≠Fixed assets	50,370	33,963
Other assets	2,328	1,296
Total Assets	$ 100,799	$ 65,561

Liabilities
(000's)

	1979	1978
Long term debt		
Oblig. under cap. lease	$ 954	$ 815
Notes payable		700
Mortgages	164	75
Accounts payable	5,881	2,458
Accruals	4,372	2,099
Accrued payroll	5,441	3,237
Income taxes payable	4,263	2,378
Curr. Liabilities	$ 21,075	$ 11,762
Oblig. under cap. lease	7,485	3,736
Note payable		13,300
Other liabilities	334	405
+Common stock	5,025	4,025
Add. paid-in capital	23,626	358
Retained earnings	20,763	10,000
Treasury shares	(702)	
Total Liabilities & Shareholders' Equity	$ 100,799	$ 65,561

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $1.00 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.56	11.84
%Net Income to Sales	7.03	6.03
%Net Income to Equity	22.10	46.53
Sales to Inventories	[illegible]	3.92
Working Capital	$ 27,026,000	$ 18,540,000
Current Ratio	2.28	2.58
Shareholders' Equity	$ 48,712,000	$ 14,383,000

CONNA Corporation

200 Cosmopolitan Building
Third and Kentucky Streets
Louisville, Kentucky 40203
(502) 584-1281

mailing address:

P.O. Box 660
Louisville, Kentucky 40201

Officers: Harlin D. Penden, chairman of the board; Joe P. Peden, president; Robert T. Johnson, executive v.p. & chief operating officer; John C. Nichols II, sr. v.p. & chief financial officer; R.J. Stewart, sr. v.p.-real estate; John A. Elsner, secretary; William J. Ronay, controller.

Directors: Harlin D. Peden, chairman of the board; George Duthie, Charles F. Haywood, Robert T. Johnson, Joe P. Peden, William B. Peden, R.J. Stewart.

Business Activities: Through its subsidiary companies, is primarily a regional franchisor of Convenient Food Mart stores and an operator of retail, self-service gasoline outlets. Other subsidiaries engage in dairy product delivery, wholesaling to its stores, and retail construction, financing and store equipment selection.

Subsidiaries:

Nycrest Corporation
Cold Spring, N.Y.
Operates conveniende type food mart stores, nineteen of which have self-service gasoline outlets. The stores, called Handy Stop Food Shops, are located in and around Westchester County, N.Y., and in Connecticut.

Convenient Industries of America
Operates or franchises 42 Convenient Food Mart stores in its Hudson Valley and New England operating regions, which include New York, Connecticut, New Hampshire and Massachusetts.

Remote Services Inc.
Owns and operates 236 self-service gasoline outlets.

Oscar Ewing Inc.
A distributor of dairy items and other refrigerated products.

CFM Distributors Inc.
Services Convenient Food Mart stores.

Convenient Equipment Company
Store equipment selection, installation and application.

Financial Opportunities Inc.
Small business investment company, operating under a license from the Small Business Administration.

CIA Credit Corporation
Arranges financing packages for new equipment for stores.

Transfer Agent(s):

Citizens Fidelity Bank & Trust Company
Louisville, Kentucky

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CONA

Number of Stores: (at fiscal year end)

	Food Mart Stores	Self-Service Gasoline Outlets
1980	336	248

Sales and Earnings

	Revenues	Net Income
1980	$139,633,000	$ 2,517,000
1979	88,613,000	1,523,000
1978	63,622,000	1,147,000
1977	54,271,000	896,000
1976	48,459,000	857,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	911,536	$2.76
1979	896,531	1.70

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1980	1979
Food Mart stores	$ 18,726,000	$ 15,498,000
Gasoline	107,838,000	61,304,000
Dairy	13,069,000	11,811,000
Total	$139,633,000	$ 88,613,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.37	50%	-
1979	0.28	-	-

CONNA Corporation

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 9,530,569	$10.40
1979	7,307,938	8.08

Income Account

Year ended	5/25/80	5/27/79
Net sales	$130,941,577	$ 81,158,724
Cont. franchise fees	7,186,597	6,347,653
Other income	1,504,487	1,106,862
Total income	$139,632,661	$ 88,613,239
Cost of sales	120,570,884	73,350,431
Expenses	12,649,909	10,735,027
Depreciation & amortization	1,114,405	920,694
Interest expense	546,217	810,490
Income before taxes	$ 4,751,246	$ 2,796,597
Income taxes	2,234,000	1,273,000
Net Income	$ 2,517,246	$ 1,523,097

Assets

As of	5/25/80	5/27/79
Cash	$ 324,672	$ 514,208
Cert. of dep. & treas. notes	2,601,933	2,200,000
Accts. receiv., net	8,904,669	6,774,801
* Inventories	3,676,068	1,803,689
Prop. & equip. under develop.	4,167,323	1,850,195
Prop. held for sale	143,760	417,080
Invest. in subleases	189,445	171,069
Other curr. assets	671,738	421,273
Current Assets	$ 20,679,608	$ 14,152,315
Invest. in subleases	4,478,628	4,693,873
Invest. in unconsol. subsid.	765,446	645,244
≠ Fixed assets	7,347,968	6,903,927
Deposits	1,023,969	956,109
Accts. & notes receiv.	674,510	935,681
Franchise rights	710,528	693,432
Real estate	644,305	636,186
Sundry	494,946	539,552
Total Assets	$ 36,819,908	$ 30,156,319

Liabilities

Long-term debt, curr.	$ 628,990	$ 576,259
Cap. lease oblig. curr.	599,235	394,262
Accts. payable	8,237,455	6,023,815
Accruals	1,139,557	1,145,592
Income taxes	1,419,031	578,996
Curr. Liabilities	$ 12,024,268	$ 8,718,924
Long-term debt	4,565,154	5,203,769
Cap. lease oblig.	7,311,878	6,670,617
Deposits, def. inc. taxes, & other liab.	3,388,039	2,255,071
+ Common stock	2,919,520	2,565,690
Add. paid-in capital	602,496	602,496
Retained earnings	6,008,553	4,139,752
Total Liabilities & Shareholders' Equity	$ 36,819,908	$ 30,156,319

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.63	3.45
%Net Income to Sales	1.92	1.88
%Net Income to Equity	26.41	20.84
Sales to Inventories	35.62	45.00
Working Capital	$ 8,655,340	$ 5,433,391
Current Ratio	1.72	1.62
Shareholders' Equity	$ 9,530,569	$ 7,307,938

Consolidated Accessories Corporation

3140 Irving Boulevard
Dallas, Texas 75247
(214) 631-1620

Officers: Leo Fruhman, chairman of the board & chief executive officer; Robert Schmidt, president & chief operating officer; Leonard B. Fruhman, Hope Powell, exec. v.p.'s; Isidor Komorn, Harry Hartnagel, sr. v.p.'s; Rhea Fay Fruhman, William Rodenberger, Ralph Bendix, v.p.'s; J. Monroe King, v.p.-finance, secretary & treasurer.

Directors: Leo Fruhman, Leonard B. Fruhman, J. Monroe King, Robert Schmidt, Rhea Fay Fruhman, Alan D. Feld, Jerome H. Lane, Vincent E. Thompson.

Divisions & Subsidiaries:

Handbag and Accessory Division
Provides retail outlets with a variety of women's accessories, including handbags, gloves, scarves, belts, small leather goods and umbrellas. Goods are consigned to retail merchants and paid for by the merchant only after he sells them.

LeNar Jewelry Co., Inc.
Distributes fashion jewelry, sunglasses and fashion watches to retail stores. These goods are consigned to retail merchants and paid for by the merchant only after he sells them.

Rhealee Accessories Corp.
Markets women's hats, wigs and related items through 80 retail outlets in 14 states.

The Avant Collection, Inc.
Direct-mail marketing operation.

Transfer Agent(s):

Republic National Bank of Dallas
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CACS (NASDAQ)

Number of Stores: (at fiscal year end)

1980	9	1977	13
1979	12	1976	17
1978	12		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 32,124,312	$ 910,488
1979	31,097,514	1,047,840
1978	27,443,895	976,149
1977	28,167,583	1,240,823
1976	26,191,921	586,365

	No. of Com. Shares ‡	Earn. per Share ‡
1980	518,726	$1.76
1979	518,726	2.02
1978	518,726	1.88
1977	518,726	2.39
1976	525,447	1.12

+ Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Handbags & accessories	$ 23,701	$ 23,090
Jewelry	2,965	3,072
Millinery & hairgoods	3,674	4,740
Catalog	1,784	196
Total	$ 32,124	$ 31,098

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.24		
1979	0.23		
1978	0.25		
1977	0.15		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,628,337	$18.56
1979	8,842,343	17.05
1978	7,913,811	15.26
1977	7,067,343	13.62
1976	5,904,328	11.38

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$ 32,124,312	$ 31,097,514
Other income	1,260,168	988,094
Total Income	$ 33,384,480	$ 32,085,608
Cost of sales	16,182,917	15,576,625
Expenses	15,424,362	14,401,705
Interest expense	313,446	185,833
Income before taxes	$ 1,463,755	$ 1,921,445
Income taxes	553,267	873,605
Net Income	$ 910,488	$ 1,047,840

* Included in Costs and Expenses, Depreciation and Amortization: $249,005 in 1980 and $182,031 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 3,493,628	$ 3,363,134
Short-term invest.	1,000,000	1,000,000
Accts. receiv., net	2,489,881	2,014,497
*Inventories	7,178,631	6,939,499
Prepaid exp. & other assets	317,327	510,015
Current Assets	$ 14,479,467	$ 13,827,145
≠ Fixed assets	976,857	905,372
Other assets	34,804	38,784
Cash value of life ins.	238,391	207,690
Total Assets	$ 15,729,519	$ 14,978,991

Liabilities

Long-term debt, curr.	$ 304,706	$ 192,671
Accts. payable	2,026,434	1,921,165
Accruals	257,369	142,910
Accrued payroll	467,248	513,766
Income taxes	139,433	150,302
Other taxes	31,082	19,622
Curr. Liabilities	$ 3,226,272	$ 2,940,436
Long-term debt	2,802,256	3,105,394
Unamort. exc. of assets over cost	72,654	90,818
+ Common stock	559,000	559,000
Add. paid-in capital	1,359,669	1,359,669
Retained earnings	7,872,286	7,086,292
Treasury stock	(162,618)	(162,618)
Total Liabilities & Shareholders' Equity	$ 15,729,519	$ 14,978,991

* At lower of average cost or market based on retail inventory method.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.56	6.18
%Net Income to Sales	2.83	3.37
%Net Income to Equity	9.46	11.85
Sa to Inventories	4.47	4.48
Working Ctal	$ 11,253,195	$ 10,886,709
Current Ratio	4.49	4.70
Shareholders' Equity	$ 9,628,337	$ 8,842,343

Consolidated Foods Corporation

135 South LaSalle Street
Chicago, Illinois 60603
(312) 726-6414

Officers: John H. Bryan, Jr., chairman & chief executive officer; John J. Cardwell, president; Michael E. Murphy, executive vice president and chief financial & administrative officer; Charles A. McKee, executive vice president; Milton J. Schloss, executive vice president; Thomas F. Barnum, Robert Jaunich, Alan Elston, Sam D. Thompson, Jr., James T. Pearce, James B. Prigoff, senior vice presidents; Paul Federick Kahn, senior vice president-corporate development & international; Gordon H. Newman, senior vice president secretary & General Counsel; Frank W. Holas, group v.p.; Daniel J. Brennan, vice president-taxes & insurance; Frederick W. Brown, vice president -employee relations; Dave Center, vice president; Richard Kemplin, vice president -corporate affairs; Robert M. Lynch, vice president -human resources; Thomas J. Nahm, vice president corporate development and planning; Douglas E. Pease, vice president -financial planning and analysis; William T. White, Jr., vice president and treasurer; Richard G. Rademacher, corporate controller; Alan J. Schneider, assistant controller; Benjamin R. Gilliatt, asst. treasurer -director of Corporate Finance; Mark J. McCarville, asst. treasurer; James R. Carlson, asst. secretary; Thomas H. Gorden, asst. secretary.

Directors: Roy L. Ash, John H. Bryan*, Jr., John J. Cardwell*, Nathan Cummings*, Tilden Cummings, Robert E. Elberson, Dr. John T. Fey, Richard E. Guggenhime*, Robert C. Gunness*, William A. Jennett, Hugh Kraijenhoff, Mrs. Beatrice C. Mayer, Dr. Paul W. McCraken, Charles A. McKee*, J. Dean Muncaster, Michael E. Murphy, R. Roy Pearce, Milton J. Schloss, Richard L. Thomas*.

*Member of the Executive Committee.

Business Activities: Food Services-food and supplies for volume feeding operations; Lawson's operates convenience food stores in Ohio, Pennsylvania, Michigan and Indiana; restaurants.

Beverages-coffee, tea, and soft drinks.

Hanes Group-hosiery, knitwear, women's swimwear and intimate apparel, gloves, cosmetics.

Specialty Meats-fresh and processed meats.

Frozen foods-frozen baked sweet goods, seafood, potatoes, confections.

Other Consumer Products-candy, canned fruits and vegetables, personal care products, toys, refined sugar.

Consumer Direct Sales-home cleaning appliances, housewares and personal care products, industrial chemicals.

Divisions & Subsidiaries:

Beverages:
- Douwe Egberts B.V. (65% owned)
  Utrecht, Holland
- Shasta Beverages
  Hayward, California

Hanes Group
- Hanes Corporation
  Winston-Salem, North Carolina
- Aris-Isotoner Glove
  New York, New York
- Canadelle Inc.
  Montreal, Quebec
- Sirena, Inc.
  South El Monte, California

Specialty Meats:
- Kahn's and Company
  Cincinnati, Ohio
- Bryan Foods
  West Point, Mississippi

Frozen Foods:
- Kitchens of Sara Lee
  Deerfield, Illinois
- Booth Fisheries Corporation
  Chicago, Illinois
- Chef Pierre, Inc.
  Traverse City, Michigan
- Idaho Frozen Foods
  Twin Falls, Idaho
- Popsicle Industries
  Englewood, New Jersey

Other Consumer Products:
- Hollywood Brands
  Centralia, Illinois
- Bloch & Guggenheimer
  Long Island City, New York
- Ets. Lardenois
  Hermes, France
- Intradal NV
  Amersfoort, Holland
- Tyco Industries, Inc.
  Moorestown, New Jersey
- Jonker Fris B.V.
  Heusden A.D. Maas, Holland
- Union Sugar
  San Francisco, California

Food Services:
- PYA Monarch Foodservice
  Greenville, South Carolina
- The Lawson Company
  Cuyahoga Falls, Ohio
- Lyons Restaurants
  Foster City California

Consumer Direct Sales:
- Electrolux Corporation
  Stamford, Connecticut
- The Fuller Brush Company
  Great Bend, Kansas
- Oxford Services, Inc.
  Atlanta, Georgia

Transfer Agent(s):

Continental Illinois National Bank and Trust Company of Chicago
Chicago, Illinois

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: CFD

Number of Stores: (at fiscal year end)

1979	722	1976	745
1978	730	1975	750
1977	750		

Sales and Earnings‡

	Net Sales +, (000's)	Net Income (000's)
1979	$ 4,720,266	$ 111,408
1978	3,535,567	100,669
1977	2,93[illegible],829	90,166
1976*	2,788,370	91,117
1975	2,522,843	13,371

	No. of Com. Shares #	Earn. per Shares #
1979	29,490,000	$3.60
1978	29,705,000	3.21
1977	29,641,000	2.86
1976	29,328,000	2.93
1975	29,003,000	0.28

* 53 weeks.
‡ Restated to reflect capitalization of leases.
+ Of continuing operations only.
# Based on the weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Consumer packaged goods:		
Beverages	$ 1,111,600	$ 596,800
Hanes group	397,300	76,200
Speciality meats	698,500	533,800
Frozen foods	551,200	496,400
Other	542,000	602,600
Food service	902,400	739,200
Consumer direct sales	575,400	545,300
Intersegment sales	(58,100)	(54,700)
Total	$ 4,720,300	$ 3,535,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.575	–	–
1978	1.475	–	–
1977	1.3875	–	–
1976	1.35	–	–
1975	1.35	–	–

Common Stock Equity †

	Total Equity ‡	Equity Per Share #
1979	$738,107,000	$25.03
1978	676,408,000	22.89
1977	628,[illegible]06,000	21.22

† Restated to reflect capitalization of leases.
‡ After allowing for preferred stock at involuntary liquidation preference of $40 per share.
# Based on the weighted average number of shares outstanding.

Income Account*
(000's)

Year ended	6/30/79	7/1/78 ‡
Net sales	$ 4,720,266	$ 3,535,567
Cost of sales	3,319,573	2,445,066
Expenses	1,131,640	843,655
Interest expense	33,591	13,827
Income before taxes	$ 235,462	$ 233,019
Income taxes	102,352	126,180
Minority interest	21,702	5,520
Net Income	$ 111,408	$ 100,669

* Included in Costs and Expenses, Depreciation: $76,492,000 in 1979 and $50,156,000 in 1978.
‡ Restated to reflect capitalization of leases.

Consolidated Foods Corporation

Assets
(000's)

As of	6/30/79	7/1/78 ‡
Cash	$ 48,230	$ 111,426
Accts. receiv., net	465,312	382,964
*Inventories	671,003	507,865
Other curr. assets	22,222	33,086
Current Assets	$ 1,206,767	$ 1,035,341
Investments	32,433	32,027
# Fixed assets	632,726	500,596
Intangibles	203,220	115,726
Total Assets	$ 2,089,471	$ 1,697,035

Liabilities
(000's)

Notes payable	$ 68,878	$ 14,989
Long-term debt, curr.	25,555	10,694
Accts. payable & accruals	537,590	441,881
Income taxes	27,275	38,302
Deferred inc. taxes	31,450	39,513
Cap. lease oblig., curr.	5,410	3,073
Curr. Liabilities	$ 696,158	$ 548,452
Long-term debt	383,613	261,852
Cap. lease oblig.	39,292	37,846
Minority interest	77,205	61,186
Deferred inc. taxes	74,062	37,057
Other liabilities	33,845	27,045
+ Preferred stock	3,687	3,687
+ + Common stock	39,642	39,642
Add. paid-in capital	157,571	159,965
Retained earnings	589,368	529,576
Treasury stock	(4,972)	(9,273)
Total Liabilities & Shareholders' Equity	$ 2,089,471	$ 1,697,035

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $1.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	4.99	6.59
%Net Income to Sales	2.36	2.85
%Net Income to Equity	14.19	13.91
Sales to Inventories	7.03	6.96
Working Capital	$510,609,000	$486,889,000
Current Ratio	1.73	1.89
Shareholders' Equity	$785,296,000	$723,597,000

Convenient Industries of America, Inc.
(100%-owned subsidiary of CONNA Corporation)

981 S. Third Street
Louisville, Kentucky 40203
(502) 584-1281

Mailing address:

P.O. Box 660
Louisville, Kentucky 40201

Officers: Harlin D. Peden, chairman of the board; Joe P. Peden, president; Robert T. Johnson, exec. v.p. & chief operating officer; John C. Nichols II, sr. v.p.-chief financial officer; R.J. Stewart, sr. v.p.-store development; Gary A. Payne, v.p.-operations, Food Mart Div.; Laurance H. Kinney, v.p.-marketing, Food Mart Div.; Emery H. White, Jr., v.p. & gen. magr.-Food Mart Div.; John A. Elsner, secretary; William J. Ronay, controller.

Directors: Harlin D. Peden, Joe P. Peden, Robert T. Johnson, George Duthie, William B. Peden, R. J. Stewart, Charles F. Haywood.

Business Activities: Engaged in the operation of franchised and company-owned Convenient Food Mart stores located in Kentucky, Tennessee, Indiana, Illinois, New York, New Hampshire, North Carolina, Kansas, Missouri, Iowa, Massachusetts and Connecticut; wholesale distribution of dairy and nondairy products; home delivery of milk; operation of gasoline stations.

Subsidiaries:

Oscar Ewing, Inc.
981 South Third Street
Louisville, Kentucky
(502) 584-3131
Wholesale distribution of dairy and non-dairy products; home delivery of milk in Kentucky and Southern Indiana.

C.I.A. Credit Corporation
981 S. Third Street
Louisville, Kentucky 40203
(502) 584-1281
Assists Convenient Food Marts in obtaining financing.

Remote Services, Inc.
981 South Third Street
Louisville, Kentucky
(502) 584-3131
Provides self-service gasoline at Convenient Food Mart stores and other locations in Kentucky, Illinois, Tennessee, Ohio, North Carolina, Massachusetts, New Hampshire, Kansas, Connecticut, Florida, Indiana, Iowa and New York.

CFM Distributors, Inc. (50% owned)
981 South Third Street
Louisville, Kentucky
(502) 584-3131
Distribution of frozen foods and ice cream to Convenient Food Mart stores.

CIA Midwest Food Marts, Inc.
P.O. Box 699
Coffeyville, Kansas 67337
(316) 251-2440
Franchisor of Convenient Food Mart stores in Kansas and Missouri.

Food Merchandisers, Inc.
P.O. Box 18527
3820 Merton Drive
Raleigh, North Carolina 27609
(919) 782-4155
Franchisor of Convenient Food Marts in North Carolina.

Convenient Gasoline Corporation
P.O. Box 18527
3820 Merton Drive
Raleigh, North Carolina 27609
(919) 782-4155
Subsidiary of Remote Services, Inc., and distributes gasoline to Convenient Food Marts in the North Carolina region.

Convenient Equipment Co., Inc.
981 S. Third Street
Louisville, Kentucky 40203
(502) 584-1281
Buys equipment for franchised stores.

C.F.M. of New England, Inc.
177 Worchester St., Rt. #9
Suite 101
Wellesley, Massachusetts 02181
(617) 237-6265
The franchisor of Convenient Food Mart stores in five New England states.

C.F.M. of Illinois, Inc.
725 Crestwood Avenue
Peoria, Illinois
(309) 685-7631
The franchisor of Convenient Food Mart Stores in Illinois and Iowa.

C.I.A. Food Marts, Inc.
201 South Avenue
Poughkeepsie, New York 12601
(914) 473-4200
The franchisor of Convenient Food Mart stores in New York and New Jersey.

Transfer Agent(s):

Citizens Fidelity Bank and Trust Co.
Louisville, Kentucky

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CIAM (NASDAQ)

Number of Stores*: (at fiscal year end)

1979	20	1976	54
1978	24	1975	51
1977	24		

* Company owned stores only.

Sales and Earnings

	Revenues	Net Income
1979	$ 88,613,239	$ 1,523,097
1978	63,622,783	1,147,545
1977	54,271,145	896,007
1976*	48,459,477	857,482
1975	34,418,653	730,375

	No. of Com. Shares #	Earn. per Share #
1979	598,000	$2.55
1978	596,000	1.92
1977	596,000	1.50
1976*	592,000	1.45
1975	583,000	1.25

* 53 weeks.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.42		
1978	0.26		—
1977	0.21	4%	—
1976	0.18	—	—
1975	0.12		—

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1979	$ 7,307,938	$12.12
1978	5,962,639	10.48
1977	4,993,155	8.38

† Restated to reflect capitalization of leases.
‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Income Account

Year ended	5/27/79	5/28/78 ‡
Net sales	$ 81,158,724	$ 57,815,830
Other income	7,454,515	5,806,953
Revenues	$ 88,613,239	$ 63,622,783
Cost of sales	73,350,431	51,127,344
Expenses	10,735,027	8,991,438
Depreciation amortization	920,694	785,715
Interest expense	810,490	704,891
Income before taxes	$ 2,796,597	$ 2,013,395
Income taxes	1,273,500	865,850
Net Income	$ 1,523,097	$ 1,147,545

‡ Restated to reflect capitalization of leases.

Assets

As of	5/27/79	5/28/78 ‡
Cash	$ 514,208	$ 793,283
Short-term investment	2,200,000	1,900,000
Accts. receiv., net	6,774,801	5,101,069
Prop. under develop.	1,850,195	389,277
Discont. business for sale	417,080	319,345

*Inventories	1,803,689	1,868,142
Other assets	421,273	309,247
Investments	171,069	167,488
Current Assets	$ 14,152,315	$ 10,847,851
Franchise rights	693,432	857,093
Receivables	935,681	1,195,033
≠Fixed assets	6,903,927	5,481,170
Investments	4,693,873	5,400,400
Other real estate	636,186	878,616
Other assets	539,552	664,427
Rental deposits	956,109	907,685
Investments	645,244	573,007
Total Assets	$ 30,156,319	$ 26,805,282

Liabilities

Long-term debt, curr	$ 576,259	$ 363,656
Accts. payable	6,023,815	4,997,150
Accruals	1,145,592	746,203
Income taxes	578,996	717,015
Cap. lease oblig., curr	394,262	319,687
Curr. Liabilities	$ 8,718,924	$ 7,143,711
Long-term debt	5,203,769	5,139,217
Other liabilities	2,255,071	1,865,779
Cap. lease oblig.	6,670,617	6,693,936
+Common stock	2,565,690	2,502,372
Add. paid-in capital	602,496	690,200
Retained earnings	4,139,752	2,872,203
Treasury stock		(102,136)
Total Liabilities & Shareholders' Equity	$ 30,156,319	$ 26,805,282

‡ Restated to reflect capitalization of leases.
* At lower of cost (retail inventory method or FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.45	3.48
%Net Income to Sales	1.88	1.98
%Net Income to Equity	20.84	19.25
Sales to Inventories	45.00	30.95
Working Capital	$ 5,433,391	$ 3,704,140
Current Ratio	1.62	1.52
Shareholders' Equity	$ 7,307,938	$ 5,962,639

Cook United, Inc.

16501 Rockside Road
Maple Heights, Ohio 44137
(216) 475-1000

Officers: Martin M. Lewis, chairman of the board & chief exec. officer; George Jeffers, president & chief operating officer; Ralph R. Luffler, v.p.-treasurer; Fred T. Fernandez, v.p.-personnel & labor relations; Frank H. Burke, v.p.-secretary; Bruce Jenkins, v.p.-distribution; Adam W. Talarek, v.p.-finance & chief financial officer; Ira R. Kaplan, v.p.-retailing; Robert Griesse, asst. secretary.

Directors: Bernard Barnett*, Harry M. Broder*, Dan Freedman*, Jerry V. Jarrett, James T. Griffin, Joseph H. Jackier*, George Jeffers*, Samuel S. Kaufman, Martin M. Lewis*, Louis T. Roth, Arnold I. Burns, Kermit G. Claster, Victor Gelb, Philip Levy.

* Member of Executive Committee.

Business Activities & Divisions:

Discount Department Store Division
16501 Rockside Road
Maple Heights, Ohio 44137
(216) 475-1000

Operates 80 discount department stores in 14 states under the names Uncle Bill's, Cook's, Clark's, Consolidated Sales and Ontario's. It also operates 18 gas stations and 5 automatic car washes, 18 boutiques of youthful fashions under the name of J. P. Snodgrass; and one discount catalog showroom under the name Stratford Jewelers & Distributors.

Wholesale Distribution Division
16501 Rockside Road
Maple Heights, Ohio 44137
(216) 475-1000

Supplies tools, sporting goods, toys, paper and stationery supplies, hardware, health and beauty aids, plumbing and electrical supplies to mass merchandisers, including significant sales to the Retail Division of Cook United, Inc.

Non-Retail Operations:

Leon Plumbing & Supply Company
3301 Colerain Avenue
Cincinnati, Ohio 45202
(513) 681-5111

Myron Nickman, Inc.
1450 Granger Road
Cleveland, Ohio 44131
(216) 749-7000

Oscar Robbins
4760 Centre Avenue
Pittsburgh, Pennsylvania 15213
(412) 687-3342

Stem Distributing Company
16501 Rockside Road
Maple Heights, Ohio 44317
(216) 475-1000

Boston Distributors
16501 Rockside Road
Maple Heights, Ohio 44137
(216) 475-1000

Future Pak
3301 Colerein
Cincinnati, Ohio 45225
(513) 541-5500

Transfer Agent(s):

Ameri Trust
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: CCF

Number of Stores: (at fiscal year end)

	Boutiques	Dept.
1979	18	80
1978	14	77
1977	12	76
1976	15	77
1975	18	77

Sales and Earnings
(000's)

	Net Sales +	Net Income ≠
1980	$ 422,813	$ 5,863
1979*	416,477	4,004
1978	396,847	3,289
1977	401,310	3,973
1976	386,523	5,589

	No. of Com. Shares ‡	Earn. per Share ‡≠
1980	5,997,504	$0.96
1979*	5,936,422	0.66
1978	5,877,488	0.66
1977	5,877,414	0.66
1976	5,899,499	0.94

* 53 weeks.
+ Of continuing operations only.
≠ Including extraordinary credits of $3,166,000 ($0.54 per share) in 1978, $3,100,000 ($0.53 per share) in 1977 and $863,000 ($0.15 per share) in 1976.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues by Line of Business
(000's)

	1980	1979
Discount dept. stores	$ 343,220	$ 346,607
Wholesale distributors	143,385	130,577
Other companies	(63,792)	(60,707)
Total	$ 422,813	$ 416,477

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.15		
1979	—	6%	—
1978		6%	
1977		6%	
1976		6%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share ≠
1980	$ 76,934,000	$13.03
1979	71,983,000	12.21
1978	67,971,000	11.61
1977	69,156,000	11.77

‡ After allowing for preferred stock at a liquidation value of $45 per share.
≠ Adjusted to reflect stock dividends.

Income Account
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 422,813	$ 416,477
Cost of sales	309,081	308,442
Expenses	94,312	88,695
Depreciation & amortization	6,644	6,272
Interest expense rel. to cap. leases	4,358	4,498
Interest expense	1,214	1,423
Income before taxes	$ 7,204	$ 7,147
Income taxes	2,977	3,291
Income from cont. oper.	$ 4,227	$ 3,856
Income from discont. oper.	1,636	148
Net Income	$ 5,863	$ 4,004

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 9,626	$ 13,181
Accts. receiv., net	9,201	8,224
Assets held for disposition		3,487
*Inventories	86,233	78,936
Prepaid expenses	2,568	2,015
Current Assets	$ 107,628	$ 105,843
≠Fixed assets	68,913	66,505
Other assets	2,976	2,066
Future income tax benefits	3,820	3,538
Intangibles	12,772	12,772
Total Assets	$ 196,109	$ 190,724

Liabilities
(000's)

Long-term debt, curr.	$ 890	$ 6,958
Trade payables	24,245	22,707
Accruals	11,253	9,172
Income taxes	1,451	3,328
Reserve for store closings & vacancy costs	240	540

Cook United, Inc.

	1979	1978
Curr. Liabilities	$ 38,079	$ 42,705
Long-term debt	11,870	7,016
Capitalized lease oblig.	44,899	44,256
Reserve for store closings & vacancy costs	1,484	2,006
Retirement benefits	605	711
5½% convertible subordinated deben.	19,950	19,950
Deferred inc. tax credits	899	708
+ Preferred stock	151	151
+ + Common stock	5,905	5,896
Add. paid-in capital	31,744	31,711
Retained earnings	40,523	35,614
Total Liabilities & Shareholders' Equity	$ 196,109	$ 190,724

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ No par value.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	7.49	5.46
Sales to Inventories	4.90	5.28
Working Capital	$ 69,549,000	$ 63,138,000
Current Ratio	2.83	2.48
Shareholders' Equity	$ 78,323,000	$ 73,372,000

Coronet Stores

411 South Arroyo Parkway
Pasadena, California 91105
(213) 796-5123

Officers: Joseph Cornet, Jr., chairman of the board & executive vice president; Robert Cornet, president; W. R. Hofstetter, G.C. Christian, Joe Lonetti, v.p.'s; H.I. Workman, secretary-treasurer.

Directors: Joseph Cornet, Jr., Robert Cornet, G. C. Christian, W. R. Hofstetter, L. E. Froehlich, A. B. Roney, H. I. Workman.

Business Activities: Operates a chain of variety stores in California, Hawaii, Idaho, Oregon, Nevada, Utah, Arizona and Wyoming, selling clothing, hardware, housewares, novelties, notions, toys, dry goods, cosmetics, stationery, candy, etc.

Transfer Agent(s):

Bank of America N.T. & S.A.
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	92	1977	98
1978	92	1976	102

Sales and Earnings

	Net Sales	Net Income
1979	$ 33,199,373	$ 632,885
1978	32,659,864	409,990
1977	33,424,573	171,763
1976	34,915,615	926,343
1975	30,943,400	779,906

	No. of Com. Shares +	Earn. per Share +
1979	1,535,150	$0.41
1978	1,535,150	0.27
1977	1,535,150	0.11
1976	1,535,150	0.60
1975	1,535,150	0.51

+ Based on common stock and class B stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.45		
1978	0.45		
1977	0.45		
1976	0.45		
1975	0.45		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 20,938,444	$13.64
1978	20,399,872	13.29
1977	20,084,195	13.08
1976	20,006,747	13.03
1975	19,174,718	12.49

‡ Based on common stock and class B stock combined.

Income Account *

Year ended May 31	1979	1978
Net sales	$ 33,199,373	$ 32,659,864
Cost of sales	21,342,698	21,306,724
Expenses	9,736,721	9,828,600
Depreciation & amortization	650,952	608,049
Interest expense	255,128	244,295
Income before taxes	$ 1,213,874	$ 672,196
Income taxes	580,989	262,206
Net Income	$ 632,885	$ 409,990

* Included in Costs and Expenses, Depreciation and Amortization: $650,952 in 1979 and $608,049 in 1978.

Assets

As of May 31	1979	1978
Cash	$ 1,254,167	$ 942,244
Certificate of deposit	600,000	300,000
Note receivable	12,000	
* Inventories	14,214,219	14,579,593
Prepaid expenses	314,654	409,668
Deferred income taxes	35,398	22,696
Current Assets	$ 16,430,438	$ 16,254,201
≠ Fixed assets	10,847,993	10,205,937
Note receivable	42,000	
Other assets	10,883	8,620
Defer. cost	48,595	93,766
Prepaid loan	53,351	55,776
Total Assets	$ 27,433,260	$ 26,618,300

Liabilities

Notes payable	$ 41,000	$ 37,878
Accts. payable	2,101,543	1,856,656
Accruals	320,910	291,584
Income taxes	315,325	217,993
Other taxes	555,366	616,034
Curr. Liabilities	$ 3,334,144	$ 3,020,145
Real est. loans long-term	3,160,672	3,198,283
+ Common stock	419,170	419,170
+ Class B common	2,651,130	2,651,130
Add. paid-in capital	1,181,640	1,181,640
Retained earnings	16,686,504	16,147,932
Total Liabilities & Shareholders' Equity	$ 27,433,260	$ 26,618,300

* At lower of cost or market using the retail inventory method.
≠ Less accumulated depreciation.
+ $2 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.66	2.06
%Net Income to Sales	1.91	1.26
%Net Income to Equity	3.02	2.01
Sales to Inventories	2.34	2.24
Working Capital	$ 13,096,294	$ 13,234,056
Current Ratio	4.93	5.38
Shareholders' Equity	$ 20,938,444	$ 20,399,872

C & R Clothiers Inc.

8660 Hayden Place
Culver City, California 90230
(213) 559-8200

Officers: Paul S. Reisbord, chairman of the board & president; Jules Yablok, secretary; Burton L. Kieffer, exec. v.p.; Richard J. Hook, v.p. & general merchandise mgr.; Donald W. Clark, v.p.-systems; Joel S. Adelman, controller.

Directors: Paul S. Reisbord, chairman; Jules Yablok, Harry Reisbord, Hava Reisbord.

Business Activities: Operates a chain of men's clothing stores in southern California.

Transfer Agent(s):

Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CLTH (NASDAQ)

Number of Stores: (at fiscal year end)

1980	35	1977	29
1979	31	1976	27
1978	32		

Sales and Earnings

	Net Sales	Net Income
1980	$ 26,066,530	$ 300,081
1979	25,216,648	[illegible]1,995
1978	22,968,983	559,160
1977	21,000,235	424,207
1976	18,199,111	351,044

	No. of Com. Shares ≠	Earn. per Share ≠
1980	1,329,618	$0.23
1979	1,341,159	0.49
1978	1,371,882	0.41
1977	1,472,481	0.29
1976	1,660,254	0.21

≠ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980			3-for-1

Common Stock Equity

	Total Equity	Equity Per Share ≠
1980	$ 3,817,056	$2.87
1979	3,539,221	2.64
1978	2,927,799	2.13
1977	2,471,663	1.68
1976	2,224,670	1.34

≠ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$ 26,066,530	$ 25,216,648
Cost of sales	14,123,053	13,588,724

Expenses	10,401,711	10,109,908
Depreciation & amortization	210,221	176,662
Interest expense	101,489	75,359
Exec. incen. bonus	622,198	
Abandoned pub. offering	127,777	
Income before taxes	$ 480,081	$ 1,265,995
Income taxes	180,000	604,000
Net Income	$ 300,081	$ 661,995

* Included in Costs and Expenses. Depreciation and Amortization: $210,221 in 1980 and $176,662 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 593,478	$ 553,563
Emp. advances & other receiv.	53,792	38,568
*Inventories	5,003,053	4,424,856
Prepaid expenses	165,193	205,310
Refund inc. taxes	439,711	
Current Assets	$ 6,255,227	$ 5,222,297
#Fixed assets	1,637,892	1,316,649
Other assets	246,257	202,426
Total Assets	$ 8,139,376	$ 6,741,372

Liabilities

Notes payable	$ 333,333	$ 166,667
Accts. payable	2,000,970	1,339,878
Accruals	1,287,017	1,046,949
Income taxes		165,324
Curr. Liabilities	$ 3,621,320	$ 2,718,818
Notes payable	500,000	333,333
Deferred inc. taxes	201,000	150,000
+ Common stock	18,789	6,263
Add. paid-in capital	917,283	928,283
Retained earnings	3,373,547	3,073,466
Treasury stock	(492,563)	(468,791)
Total Liabilities & Shareholders' Equity	$ 8,139,376	$ 6,741,372

* At lower of average cost or market, by the retail method.
# Less accumulated depreciation & amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.84	5.02
%Net Income to Sales	1.15	2.63
%Net Income to Equity	7.86	18.70
Sales to Inventories	5.21	5.70
Working Capital	$ 2,633,907	$ 2,503,479
Current Ratio	1.73	1.92
Shareholders' Equity	$ 3,817,056	$ 3,539,221

Craddock-Terry Shoe Corporation

3100 Albert Lankford Drive
Lynchburg, Virginia 24505
(804) 845-3411

Officers: Robert S. Lockridge, chairman of the board & chief exec. officer; G. Bruce Miller, president; Jack F. Almond, v.p.-merchandising; Roland K. Peters, adm. v.p.; G. Gilmer Craddock, Jr., v.p.-sales; S. Preston Craighill, Jr., v.p.-sales; Roland H. Newman, v.p.-marketing; Elias Richards III, v.p. & secretary; Cyril L. Kincaid, treasurer & controller.

Directors: Jack F. Almond, R. Frank Duncum, Charles M. Enders, Edward R. Harris, Jr., James H. Jones, Emanuel M. Last, Robert S. Lockridge, W. Edwin Masencup, Jr., Kenneth, S. White, Lewis B. Goode, Jr., G. Bruce Miller.

Business Activities: Engaged in the manufacture and retail sale of footwear. Retail units include both shoe stores and leased shoe departments in 29 states.

Transfer Agent(s):

First & Merchants National Bank
12th and Main Streets
P.O. Box 26904
Richmond, Virginia 23261

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CDCK (NASDAQ)

Number of Retail Units:* (at fiscal year end)

1979	103	1976	119
1978	95	1975	122
1977	103		

* Including leased shoe departments.

Sales and Earnings

	Net Sales	Net Income
1979	$ 91,249,000	$ 3,144,000
1978	78,787,000	2,183,000
1977	74,343,000	1,547,000
1976*	74,813,000	1,438,000
1975	68,185,000	993,000

	No. of Com. Shares	Earn. per Share ‡
1979	1,509,445	$2.07
1978	1,497,222	1.44
1977	1,489,642	1.02
1976*	1,488,729	0.94
1975	1,488,729	0.64

* 53 weeks.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.645	—	—
1978	0.56	—	—
1977	0.56	—	—
1976	0.48	—	—
1975	0.465	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$ 30,993,940	$20.53
1978	28,765,770	19.21
1977	27,386,810	18.38
1976	26,662,200	17.91
1975	25,924,000	17.41

‡ After allowing for preferred stock at $110 per share.

Income Account *

Year ended	9/29/79	9/30/78
Net sales	$ 91,249,000	$ 78,787,000
Cost of sales	61,699,000	53,853,000
Expenses	22,371,000	19,929,000
Other income	(205,000)	(245,000)
Interest expense	1,219,000	916,000
Income before taxes	$ 6,165,000	$ 4,334,000
Income taxes	3,021,000	2,151,000
Net income	$ 3,144,000	$ 2,183,000

* Included in Costs and Expenses. Depreciation and Amortization: $1,182,000 in 1979 and $1,101,000 in 1978.

Assets

As of	9/29/79	9/30/78
Cash	$ 701,000	$ 917,000
Accts. receiv., net	24,042,000	20,676,000
* Inventories	20,476,000	17,237,000
Prepaid expenses	1,481,000	1,228,000
Current Assets	$ 46,700,000	$ 40,058,000
# Fixed assets	11,236,000	10,062,000
Other assets	2,212,000	2,309,000
Total Assets	$ 60,148,000	$ 52,429,000

Liabilities

Notes payable	$ 6,550,000	$ 2,000,000
Long-term debt, curr.	902,000	808,000
Accts. payable	4,112,000	3,859,000
Accruals	1,660,000	1,541,000
Employee compens.	2,699,000	2,379,000
Dividends payable	14,000	15,000
Income taxes	1,175,000	831,000
Curr. Liabilities	$ 17,112,000	$ 11,433,000
Long-term debt	10,557,000	10,741,000
Deferred inc. taxes	864,000	841,000
+ Preferred stock	565,000	589,000
+ + Common stock	1,509,000	1,497,000
Add. paid-in capital	7,126,000	7,058,000
Retained earnings	22,415,000	20,270,000
Total Liabilities & Shareholders' Equity	$ 60,148,000	$ 52,429,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation.
+ $100 par value, 5% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.76	5.50
%Net Income to Sales	3.45	2.77
%Net Income to Equity	9.94	7.42
Sales to Inventories	4.46	4.57
Working Capital	$ 29,588,000	$ 28,625,000
Current Ratio	2.73	3.50
Sharholders' Equity	$ 31,615,000	$ 29,414,000

Crowley, Milner and Company

2301 W. Lafayette
Detriot, Michigan 48216
(313)962-2400

Officers: Robert E. Winkel, president & chief executive officer; Robert B. Carlson, v.p.-merchandising; J. Stephen Kennedy, v.p.-operations; David G. Standart, v.p. & secretary; Royal N. Perkins, v.p.-personnel; Andrew J. Soffel, v.p.-finance & treasurer.

Directors: Alfred M. Entenman, Jr.*, Joseph C. Keys, Charles R. Montgomery, Norbert A. Sylvester*, David G. Standart, Katherine C. Travis*, Robert E. Winkel*, Raymond J. Foresman*, Paul R. Trigg, Jr.

* Member of Executive Committee.

Business Activities: Operates department stores in Detroit and its suburbs.

Transfer Agent(s):

The Detroit Bank & Trust Company
Detroit, Michigan

Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): American

Ticker Symbol: COM

Number of Stores: (at fiscal year end)

1980	8	1977	9
1979	8	1976	9
1978	8		

Sales and Earnings

	Net Sales‡	Net Income
1980	$ 59,424,627	$ 2,112,468
1979	55,182,959	553,739

Crowley, Milner and Company

1978	55,695,600	(37,693)
1977	57,918,486	(460,436)
1976	59,427,831	982,025

	No. of Com. Shares	Earn. per Share
1980	509,067	$4.15
1979	509,067	1.09
1978	509,067	—
1977	509,067	
1976	509,067	1.93

(Loss)
‡ Including sales of leased departments

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.50		—
1979	0.50		—
1978	0.50	—	—
1977	0.55		—
1976	0.40		

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,078,493	$2[illegible].66
1979	12,220,559	24.01
1978	11,921,354	23.42
1977	12,213,581	23.99
1976	12,954,006	25.45

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$ 59,424,627	$ 55,182,959
Other income	669,321	339,277
Total income	$ 60,093,948	$ 55,522,236
Cost of sales	35,718,275	33,110,582
Expenses	22,000,633	20,599,332
Interest expense	342,019	332,233
Other charges	489,163	452,050
Gain on sale of bldg.	(2,168,610)	
Income before taxes	$ 3,712,468	$ 1,028,039
Income taxes	1,600,000	474,300
Net Income	$ 2,112,468	$ 553,739

* Included in Costs and Expenses. Depreciation: $645,635 in 1980 and $625,124 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 458,120	$ 769,772
Short-term investments	8,222,595	5,500,000
Accts. receiv., net	941,745	1,291,128
*Inventories	7,723,255	7,346,168
Deferred inc. taxes	148,000	183,000
Prepaid expenses	1,629,631	1,220,519
Current Assets	$ 19,123,346	$ 16,310,587
#Fixed assets	10,067,774	5,183,585
Other assets	983,851	84,020
Total Assets	$ 30,174,971	$ 21,578,192

Liabilities

Long-term debt, curr.	$ 425,000	$ 120,000
Accts. payable	3,128,836	3,325,942
Accrued payroll	959,859	807,617
Income taxes	273,496	145,391
Other taxes	1,200,287	1,050,683
Curr. Liabilities	$ 5,987,478	$ 5,449,633
Long-term debt	3,000,000	3,420,000
Lease-purch. oblig.	5,700,000	
Other liabilities		120,000
Deferred inc. taxes	1,409,000	368,000
+Common stock	509,067	509,067
Add. paid-in capital	2,240,558	2,240,558
Retained earnings	11,328,868	9,470,934
Total Liabilities & Shareholders' Equity	$ 30,174,971	$ 21,578,192

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.25	1.86
%Net Income to Sales	3.55	1.00
%Net Income to Equity	15.00	4.53
Working Capital	$ 13,135,868	$ 10,860,954
Current Ratio	3.19	2.99
Shareholders' Equity	$ 14,078,493	$ 12,220,559

Cullum Companies, Inc.

14303 Inwood Road
Dallas, Texas 75234
(214) 661-9700

Officers: Charles G. Cullum, chairman of the board and chief executive officer; Jack W. Evans, president & chief operating officer; Charles A. Monasee, Tom Hairston, exec. v.p.'s; Ron D. Badley, v.p. & treasurer; Houston E. Holmes, Jr., v.p., secretary & general counsel; J. Harold Berg, asst. secretary

Directors: Robert B. Cullum, John S. Burns, Charles G. Cullum, J. Harold Berg, Jack W. Evans, Earl A. Forsythe, W.R. Hawn, Mrs. Paul Middleton, Charles A. Monasse, Houston E. Holmes, Jr., Tom Hairston

Business Activities: Operates a chain of supermarkets and drug stores in Texas and California; the Tom Thumb Supermarkets and Page Drug Stores operate in the Austin and Dallas, Texas area and Pantry Food Markets are located in the greater Los Angeles area; operates Hinky Dinky Supermarkets in Nebraska, South Dakota and Iowa and Grocery Supply Company stores in Nebraska, Kansas, Iowa, Arkansas, Oklahoma and Missouri. Also operates wholesale food distributing companies and a meat packing firm.

Divisions & Subsidiaries:

Tom Thumb Stores, Inc.
Dallas, Texas
Operates 42 supermarkets in the Dallas Metropolitan area and 8 in Austin, Texas.

Pantry Food Markets, Inc.
Pasadena, California
Operates a chain of 13 retail food stores in the suburban communities of the Los Angeles area.

Page Drugs, Inc.
Dallas, Texas
Operates 29 drug stores in the greater Dallas area; 17 in combination with Tom Thumb food store.

American Community Corporation
Omaha, Nebraska
Operates 46 supermarkets located in Nebraska, Iowa, South Dakota, Kansas and Missouri.

Grocery Supply Company
Omaha, Nebraska
Operates 10 warehouse markets in Nebraska, Missouri, Kansas, Arkansas and Oklahoma.

Gooch Packing Company, Inc.
Abilene, Texas
Midland, Texas
Meat packing operations.

A.W. Cullum & Company
Dallas, Texas
Wholesale food distributor for the Dallas-Ft. Worth market.

Cullum Development Company
Dallas, Texas
Engages in real estate development.

Transfer Agent(s):

Republic National Bank of Dallas
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CULL (NASDAQ)

Number of Stores: (at fiscal year end)

	Supermarkets	Drugs
1979	120	29
1978	116	27
1977	114	25
1976	119	23
1975	118	24

Sales and Earnings

	Net Revenues	Net Income
1979*	$782,520,000	$ 9,406,000
1978	639,080,000	6,614,000
1977	559,558,000	4,556,000
1976	524,998,000	3,411,000
1975	455,066,000	84,000

	No. of Com. Shares ≠	Earn. per Share ≠
1979	2,781,312	$3.38
1978	2,688,726	2.46
1977	2,577,638	1.75
1976	2,525,417	1.33
1975	2,500,330	0.01

* 53 weeks
≠ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1979	1978
Retail	$718,444,000	$591,026,000
Manufacturing	64,076,000	48,054,000
Total	$782,520,000	$639,080,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.75	15% + 20%†	
1978	0.51		
1977	0.33		
1976	0.25		
1975	0.22		

+ Adjusted to reflect stock dividends.
† Declared Aug., 1979.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1979	$ 47,356,000	$17.12
1978	39,646,000	14.58
1977	33,614,000	12.72
1976	29,533,122	11.34

‡ After allowing for preferred stock at liquidation value of $24 per share.
† Adjusted to reflect stock dividends.

Income Account*

Year ended	6/30/79 (53 weeks)	6/24/78
Net revenues	$782,520,000	$639,080,000
Cost of revenues	620,442,000	506,557,000
Expenses	140,611,000	116,862,000

Interest expense	4,949,000	4,379,000
Income before taxes	$ 16,518,000	$ 11,282,000
Income taxes	7,112,000	4,668,000
Net Income	$ 9,406,000	$ 6,614,000

* Included in Costs and Expenses: Depreciation and Amortization: $8,116,000 in 1979 and $7,155,000 in 1978.

Assets

As of	6/30/79	6/24/78
Cash	$ 5,108,000	$ 6,949,000
Accts. receiv., net	6,253,000	5,796,000
*Inventories	49,633,000	42,286,000
Prepaid expense other assets	1,469,000	1,071,000
Current Assets	$ 62,463,000	$ 56,102,000
Investments	1,277,000	1,228,000
≠Fixed assets	81,821,000	68,596,000
Other assets	3,333,000	2,543,000
Total Assets	$148,894,000	$128,469,000

Liabilities

Long-term debt, curr.	$ 4,220,000	$ 3,954,000
Accts. payable	27,159,000	23,681,000
Accruals	10,356,000	8,631,000
Income taxes	3,011,000	1,803,000
Curr. Liabilities	$ 44,746,000	$ 38,069,000
Long-term debt:		
Unsecured notes	11,702,000	13,744,000
Real est. oblig.	10,081,000	7,844,000
Oblig. under cap. leases	32,308,000	26,786,000
Reserves	513,000	573,000
Deferred inc. taxes	2,096,000	1,585,000
+ Preferred stock	61,000	147,000
+ + Common stock	2,301,000	1,961,000
Add. paid-in capital	13,117,000	6,909,000
Retained earnings	31,969,000	30,851,000
Total Liabilities & Shareholders' Equity	$148,894,000	$128,469,000

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $16 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	2.11	1.77
%Net Income to Revenues	1.20	1.03
%Net Income to Equity	19.82	16.59
Working Capital	$ 17,717,000	$ 18,033,000
Current Ratio	1.40	1.47
Shareholders' Equity	$ 47,448,000	$ 39,868,000

Cunningham Drug Stores, Incorporated

1927 Rosa Parks Boulevard
Detroit, Michigan 48216
(313)963-7760

Officers: Ray A. Shapero, chairman of the board & chief executive officer; Robert I. Wieringa, president & chief operating officer; Stewart G. Smith, sr. v.p.-corp. services; Mark E. Lewis, corporate v.p.-finance & treasurer; James R. Devine, corporate v.p.-merchandising, Hotel, Office Building & Resort Group; David R. Moss, corporate v.p.-store operations; Arthur Koorhan, div. v.p.-pharmacy operations; George A. Semack, div. v.p.-inventory management & merchandising; William C. Wolfe, div. v.p.-Southeastern Division; Morton M. Rosenberg, corp. v.p. & gnrl. mgr.-Cunningham Group; Robert L. Zartman, secretary; Robert J. Peter, controller.

Directors: Alan E. Schwartz*, Spencer M. Partrich, Ray A. Shapero*, Stewart G. Smith*, Charles W. Elliott, Robert G. Zeller, Robert I. Wieringa*

*Member of Executive Committee.

Business Activites: Owns and operated drug stores in 13 states (Ohio, Michigan, Florida, California, Colorado, Hawaii, Oregon, Illinois, New York, Pennsylvania, Texas, Washington and Missouri) and the District of Columbia under the names of Cunningham, Schettler, Shapero, Crossroads, and Intercontinental.

Transfer Agent(s):

The Detroit Bank & Trust Company
Detroit, Michigan

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: CDD

Number of Stores: (at fiscal year end)

1979	165	1976	160
1978	158	1975	162
1977	160		

Sales and Earnings

	Net Sales	Net Income
1979	$182,890,000	$ 1,682,000
1978	168,124,000	1,429,000
1977	155,507,968	917,265
1976	147,209,136	1,244,603
1975	139,637,422	786,268

	No. of Com. Shares	Earn. per Share ‡
1979	1,188,869	$1.42
1978	1,178,294	1.22
1977	1,167,219	0.79
1976	1,166,569	1.07
1975	1,166,569	0.67

‡ Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.32		
1978	0.25		
1977	0.25		
1976	0.25		
1975	0.20		

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 29,177,000	$24.54
1978	27,826,000	23.62
1977	26,594,987	22.78
1976	25,695,036	22.26
1975	25,012,047	21.44

Income Account

Year ended Aug. 31	1979	1978
Net sales	$182,890,000	$168,124,000
Cost of sales & expenses	168,836,000	155,006,000
Rent	5,838,000	5,537,000
Depreciation & amortization	1,702,000	1,529,000
Interest expense	140,000	120,000
Misc. taxes	3,521,000	3,411,000
Income before taxes	$ 2,853,000	$ 2,521,000
Income taxes	1,171,000	1,092,000
Net Income	$ 1,682,000	$ 1,429,000

Assets

As of Aug. 31	1979	1978
Cash, including temp. cash investments	$ 2,764,000	$ 1,983,000
Acct. receiv., net	2,005,000	1,266,000
*Inventories	28,323,000	25,748,000
Prepaid exp. & other assets	1,345,000	1,393,000
Current Assets	$ 34,437,000	$ 30,390,000
≠Fixed assets	12,276,000	11,428,000
Other assets	734,000	1,093,000
Total Assets	$ 47,447,000	$ 42,911,000

Liabilities

Long-term debt, curr.	$ 36,000	$ 340,000
Accts. payable	13,077,000	9,554,000
Accruals	1,316,000	1,218,000
Accrued payroll	1,476,000	1,116,000
Income taxes	86,000	609,000
Other taxes	528,000	545,000
Curr. Liabilities	$ 16,519,000	$ 13,382,000
Long-term debt	620,000	656,000
Deferred inc. taxes	1,131,000	1,067,000
+ Common stock	2,972,000	2,946,000
Add. paid-in capital	442,000	419,000
Retained earnings	25,763,000	24,461,000
Total Liabilities & Shareholders' Equity	$ 47,447,000	$ 42,911,000

* Inventories at the stores are computed using the retail inventory method and warehouse inventories are valued on a specific item basis.
≠ Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.56	1.50
%Net Income to Sales	0.92	0.85
%Net Income to Equity	5.76	5.14
Sales to Inventories	6.46	6.53
Working Capital	$ 17,918,000	$ 17,008,000
Current Ratio	2.08	2.27
Shareholders' Equity	$ 29,177,000	$ 27,826,000

Cyclops Corporation

650 Washington Road
Pittsburgh, Pennsylvania 15228
(412) 343-4000

Officers: William H. Knoell, president; William D. Dickey, v.p.-planning & treasurer; Robert A. Kushner, v.p., general counsel & secretary; Donald E. Mitchell, v.p. & controller; Alan M. Smith, v.p.; Hubert W. Delano, asst. v.p.-public relations; Peter Glasser, asst. treasurer; Robert J. Tate, asst. secretary.

Directors: Howard J. Burnett, William D. Dickey, Jr. Frank Hess, Thomas Phillips Johnson, William H. Knoell, H. Fred Krimendahl, II, R. Heath Larry, William E. Lieser, Leonor F. Loree, II, B. Frank Smith, Howard M. Winterson.

Business Activities: Engaged in three major business lines: steel products-including specialty, carbon, galvanized, and silicon steels, pig iron, and tubular products; industrial and commercial construction products and services-including metal wall and roof systems; and specialty retailing.

Retail Divisions:

Busy Beaver Building Centers, Inc.
641 Alpha Drive
Pittsburgh, Pennsylvania 15238
(412) 784-2700
Retail and contractor building materials and supplies, and home remodeling services.

Silo, Inc.
6900 Lindbergh Boulevard
Philadelphia, Pennsylvania 19142
(215) 365-2000
Retailer of home appliances, television sets, and audio products.

Cyclops Corporation

Transfer Agent(s):

The Union National Bank of Pittsburgh
Pittsburgh, Pennsylvania

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: CYL

Number of Retail Outlets:

1979	84	1977	27
1978	33		

Sales and Earnings

	Net Sales	Net Income
1979	$915,861,000	$ 5,263,000
1978	779,345,000	19,850,000
1977	650,403,000	8,992,000
1976	565,215,000	11,397,000
1975	483,561,000	(6,843,000)

	No. of Com. Shares ‡	Earn. per Share ‡
1979	3,247,925	$1.35
1978	3,275,910	5.75
1977	3,237,591	2.46
1976	3,164,671	3.27
1975	3,113,626	

(Loss)

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues by Line of Business
(000's)

	1979	1978
Steel prods.	$ 754,646	$ 645,894
Industrial & commercial construction prods. & serv.	67,975	54,167
Retail construction prods.	92,740	79,284
Total	$ 915,361	$ 779,345

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$1.23		
1978	1.153		3-for-2
1977	0.867		
1976	0.80		
1975	0.80		

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1979	$147,007,000	$45.26
1978	149,629,000	45.68
1977	133,180,000	41.14

‡ After allowing for preferred stock at involuntary liquidation preference.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 915,361	$ 779,345
Cost of sales	799,235	678,426
Expenses	54,690	46,519
Depreciation	14,072	13,745
Interest expense	6,986	4,142
Loss on discont. of oper.	36,300	—
Income before taxes	$ 4,078	$ 36,513
Income taxes (credit)	(1,185)	16,663
Net Income	$ 5,263	$ 19,850

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 9,825	$ 6,975
Receivables, net	126,028	99,748
*Inventories	112,860	111,531
Prepaid expenses & income taxes	8,275	6,106
Current Assets	$ 256,988	$ 224,360
≠Fixed assets	138,457	146,192
Invest. in partnership		6,416
Other assets	719	1,207
Total Assets	$ 402,580	$ 371,759

Liabilities

	1979	1978
Notes payable	$ 23,800	$
Long-term debt, curr.	8,106	6,643
Accts. payable	39,738	49,385
Emp. costs	46,680	40,579
Income taxes	2,426	16,050
Other taxes	7,796	7,869
Other liabilities	5,632	5,432
Curr. Liabilities	$ 133,378	$ 125,958
Long-term debt	62,437	40,078
Deferred inc. taxes	4,561	16,511
Exec. of vested pension ben.	8,732	8,969
Liab. resulting from discont. oper.	30,240	10,809
Minority interest	2,514	2,262
+ Preferred stock		
Series A	81	104
Series B	245	310
+ Common stock	3,467	3,299
Add. paid-in capital	36,481	36,370
Retained earnings	127,763	127,317
Treasury stock	(7,283)	(228)
Total Liabilities & Shareholders' Equity	$ 402,580	$ 371,759

* At lower of cost (LIFO) or market.

≠ Less accumulated depreciation.

+ $1 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales		4.69
%Net Income to Sales	0.57	2.55
%Net Income to Equity	3.2	11.87
Sales to inventories	8.11	6.99
Working Capital	$123,610,000	$ 98,402,000
Current Ratio	1.93	1.78
Shareholders' Equity	$160,754,000	$167,172,000

Danners, Inc.

6060 North Guion Road
P.O. Box 1146
Indianapolis, Indiana 46206
(317) 291-8011

Officers: Max S. Danner, president; Ray J. Danner, sr. v.p.-store planning; Richard M. Miller, sr. v.p.-merchandise; John C. Brown, exec. sr. v.p.-operations; Robert D. Eppink, v.p.-finance & treasurer; Norman A. Spradlin, v.p.-personnel & secretary; A. Wallace Williams, v.p.-real estate; Mark S. Danner, exec. v.p.-merchandising; Donald J. Burrell, W. Thomas Fennell, J. William Mattheis, Jr., Robert P. Oren, Michael E. Welsh, asst. v.p.'s.

Directors: Max S. Danner, Ray J. Danner, Richard M. Miller, John C. Brown, Robert D. Eppink, Robert S. Ashby, Norman A. Spradlin, Robert H. Reynolds, L. Gene Tanner, Mark S. Danner, A. Wallace Williams.

Business Activities. Operates a chain of discount (3D Discount Stores) and variety stores as well as a chain of restaurants under the names Cambridge Inn and Trolley Stop. These units are located in Indiana, Illinois, Ohio, and Michigan.

Division(s):

Discount Division
Variety Division
Restaurant Division

Transfer Agent(s):

American Fletcher National Bank
and Trust Company
Indianapolis, Indiana

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DNNR (NASDAQ)

Number of Stores: (at fiscal year end)

	Discount Stores	Variety Stores	Restaurants
1979	26	27	25
1978	23	29	25
1977	20	30	26
1976	18	31	25
1975	17	32	25

Sales and Earnings

	Net Sales	Net Income
1979	$107,684,719	$ 450,091
1978 +	97,568,176	500,490
1977	82,342,334	1,314,655
1976	69,532,948	1,169,418
1975*	64,023,624	982,243

	No. of Com. Shares ‡	Earn. per Share ‡
1979	611,443	$0.74
1978	620,927	0.81
1977	623,301	2.11
1976	629,413	1.86
1975*	670,330	1.47

+ 53 weeks.

* 13 months.

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
General merchandise	$ 94,245	88%	$ 84,244	86%
Restaurants	13,440	12	13,324	14
Total	$107,685	100%	$ 97,568	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 11,823,071	$19.34
1978	11,495,269	18.51

1977	11,170,894	17.92
1976	10,207,238	16.22
1975	9,109,498	13.59

‡ Based on the average number of common shares and common share equivalents outstanding.

Income Account

Year ended	2/2/80	2/3/79
Net sales	$107,684,719	$ 97,568,176
Other income	1,232,474	840,996
Total income	$108,917,193	$ 98,409,172
Cost of sales	74,858,083	67,653,264
Expenses	29,224,602	26,762,763
Depreciation & amortization	1,087,714	1,067,237
Amortization of leased prop. under cap. leases	679,966	477,542
Interest expense	709,274	698,049
Interest on cap lease oblig.	750,615	539,242
Other interest	707,848	397,585
Income before taxes	$ 899,091	$ 813,490
Income taxes	449,000	313,000
Net Income	$ 450,091	$ 500,490

Assets

As of	2/2/80	2/3/79
Cash	$ 1,126,266	$ 1,232,954
* Inventories	14,421,664	20,110,972
Recoverable fed income taxes		90,117
Prepaid expenses	828,235	1,124,059
Current Assets	$ 16,376,165	$ 22,558,102
≠ Fixed assets	9,206,221	9,846,184
Other assets	586,190	268,419
Leased prop. under cap. leases	8,437,093	4,982,847
Deferred inc. taxes	133,800	35,800
Total Assets	$ 34,739,469	$ 37,691,352

Liabilities

Notes payable	$ 1,000,000	$ 1,500,000
Long-term debt, curr.	646,126	642,182
Accts. payable	4,168,103	9,819,060
Accrued payroll	533,582	614,452
Income taxes	130,556	
Rent & interest	209,721	222,496
Other taxes	842,206	1,053,571
Curr. maturities of cap. lease oblig.	573,867	420,020
Curr. Liabilities	$ 8,104,161	$ 14,271,781
Long-term debt	6,094,236	6,740,362
Cap. lease oblig.	8,718,001	5,183,940
+ Common stock	2,188,514	2,188,514
Add. paid-in capital	67,382	67,382
Retained earnings	9,567,175	9,239,373
Total Liabilities & Shareholders' Equity	$ 34,739,469	$ 37,691,352

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.83	0.83
%Net Income to Sales	0.42	0.51
%Net Income to Equity	3.81	4.35
Sales to Inventories	7.47	4.85
Working Capital	$ 8,272,004	$ 8,286,321
Current Ratio	2.02	1.58
Shareholders' Equity	$ 11,823,071	$ 11,495,269

Dart Drug Corporation

3301 Pennsy Drive
Landover, Maryland 20785
(301) 772-6000

Officers: Herbert H. Haft, president, chairman of the board & chief executive officer; Charles D. Shipe, exec. v.p., treasurer & chief operating officer; Ben Kovalsky, sr. v.p.; Robert M. Haft, v.p.-corp. planning & development; Richard B. Kabat, v.p.-real estate, gen. counsel & secretary; Ira Howard Diener, v.p.-merchandising; Stephen I. Hansbrough, v.p.-distribution & data processing; William E. Bolton, v.p.-loss prevention; Howard Woliver, v.p.-finance; Jeanne P. Herrick, v.p.-Crown Books; Neil Kaplan, v.p.-sales; James C. Luker, v.p.-personnel; Linda G. Rappaport, v.p.-communications; Gloria G. Haft, v.p.; Robert B. Hirsch, assistant secretary.

Directors: Herbert H. Haft, Gloria Haft, Robert Haft, Ben S. Kovalsky, Claudine B. Malone, Charles D. Shipe, Warren Tydings.

Business Activities: Operates a chain of discount drug stores and combination discount drug store-home centers and book stores in Washington, D.C., Maryland and Virginia.

Transfer Agent(s):

Riggs National Bank
Washington, D.C.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRUG A (NASDAQ)

Number of Stores: (at fiscal year end)

1980	96	1977	71
1979	86	1976	66
1978	75		

Sales and Earnings

	Net Sales	Net Income
1980	$ 231,211,000	$ 3,565,000
1979	208,590,000	2,484,000
1978	153,471,000	1,444,000
1977	167,609,000	1,152,000
1976	141,887,000	1,861,000 +

	No. of Com. Shares †	Earn. per Share ‡
1980	1,721,890	$2.04
1979	1,829,710	1.35
1978	1,825,204	0.79
1977	1,825,036	0.63
1976	1,825,036	1.00 +

‡ Based on weighted average number of Class A and Class B common stock outstanding.
† Class A and Class B common stock combined.
+ Including extraordinary gain of $116,000 ($0.06 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.13		
1979	0.13		—
1978	0.10	—	
1977	0.13		
1976	0.13		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 26,080,000	$15.15
1979	23,655,000	12.92
1978	21,307,000	11.67

‡ Based on Class A and Class B common stock combined.

Income Account
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 231,211	$ 208,590
Other income	696	702
Total income	$ 231,907	$ 209,292
Cost of sales	181,259	165,886
Expenses	39,944	34,719
Depreciation & amortization	2,666	2,389
Interest expense	1,806	1,901
Income before taxes	$ 6,232	$ 4,397
Income taxes	2,667	1,913
Net Income	$ 3,565	$ 2,484

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 563	$ 1,926
Accts. receiv., net	1,948	1,888
* Inventories	48,360	43,783
Prepaid expenses	650	652
Current Assets	$ 51,521	$ 48,249
≠ Fixed assets	22,088	21,102
Oblig. under cap leases	374	711
Other assets & defer. charges	504	351
Total Assets	$ 74,487	$ 70,413

Liabilities
(000's)

Notes payable	$ 400	$ 400
Accts. payable	25,843	23,534
Accruals	5,078	5,250
Income taxes	510	966
Oblig. under cap. leases, curr.	953	795
Curr. Liabilities	$ 32,784	$ 30,945
Long-term debt	2,689	3,092
Oblig. under cap. leases	12,934	12,721
+ Common stock		
Class A	1,535	1,527
Class B	303	303
Add. paid-in capital	5,654	5,620
Retained earnings	19,578	16,205
Treasury stock	(990)	—
Total Liabilities & Shareholders' Equity	$ 74,487	$ 70,413

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.70	2.11
%Net Income to Sales	1.54	1.19
%Net Income to Equity	13.67	10.50
Sales to Inventories	4.78	4.76
Working Capital	$ 18,737,000	$ 17,304,000
Current Ratio	1.57	1.56
Shareholders' Equity	$ 26,080,000	$ 23,655,000

Dayton Hudson Corporation

777 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 370-6948

Officers: William A. Andres, chairman & chief executive officer; Richard L. Schall, vice chairman & chief administrative officer; Stephen L. Pistner, president & chief operating officer; Albert B Perlin, sr. v.p. & secretary; John F. Kilmartin, Willard C. Shull III, Joseph L. Hudson, Jr., P. Gerald Mills, C. George Scala, Kenneth A. Macke, Wayne E. Thompson, sr. v.p.'s; K.N. Dayton, chairman exec. comm.; Peter Corcoran, Harry N. Jackson, Michael M. Pharr, Allan L. Pennington, v.p.'s; Karol D. Emmerich, treasurer; Conley Brooks, Jr., asst. treasurer; William E. Harder, William P. Hise, asst. secretaries.

Directors: William A. Andres, Bruce B. Dayton, Donald J. Hall, Mervin G. Morris, K.N. Dayton, Joseph L. Hudson, Jr., Kenneth A. Macke, Stephen F. Keating, Howard H. Kehrl, David T. McLaughlin, Stephen L. Pistner, Richard L. Schall, Bruce K. MacLaury, William H. Spoor, Paul N. Ylvisaker, Shirley Young.

Business Activities:

Operates department stores, low margin stores, softlines stores, specialty stores and regional shopping centers. These operations are located in 44 states.

Divisions & Subsidiaries:

Department Stores

Hudson's
1206 Woodward Avenue
Detroit, Michigan 48225
(313) 223-5100
Stores located in Michigan and Toledo, Ohio.

Dayton's
700 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 375-2200
Stores located in Minnesota, North Dakota and South Dakota.

Diamond's
4501 E. Thomas Road
Phoenix, Arizona 85018
(602) 959-4400
Stores located in Arizona and Nevada.

John A. Brown
213 W. Main Street
Oklahoma City, Oklahoma 73102
(405) 232-1231
Stores in Oklahoma.

Low Margin Stores

Target
777 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 370-6073
Stores located in Colorado, Iowa, Illinois, Nebraska, North Dakota, Minnesota, Missouri, Oklahoma, Texas, Wisconsin.

Lechmere
88 1st Street
Cambridge, Massachusetts O2141
(617) 491-2000
Stores in Massachusetts and New Hampshire.

Specialty Stores

B. Dalton Bookseller
9340 James Avenue South
Minneapolis, Minnesota 55431
(612) 884-2311
Stores located in 37 states.

J. B. Hudson
700 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 375-2841
Stores in Minnesota and Nebraska.

Shreve's
200 Post Street
San Francisco, California 94108
(415) 421-2600
Jewelry stores located in California.

J. E. Caldwell
Chestnut & Jupiter Streets
Philadelphia, Pennsylvania 19107
(215) 563-3000
Jewelry stores located in Delaware, New Jersey, Maryland, Washington D.C. and Pennsylvania.

C. W. Warren
1520 Washington Boulevard
Detroit, Michigan 48226
(313) 962-5158
Jewelry stores located in Michigan.

J. Jessop & Sons
1041 5th Avenue
San Diego, California 92112
Jewelry stores located in California.

C. D. Peacock
101 So. State Street
Chicago, Illinois 60603
(312) 630-5701
Operates 7 jewelry stores in Chicago area.

Softlines Stores

Mervyn's
25001 Industrial Boulevard
Hayward, California 94545
(415) 785-8800
Nationally branded and private label apparel, accessories and household softgoods.

Transfer Agent(s):

Northwestern National Bank of Minneapolis
Minneapolis, Minnesota

The Northwestern Trust Company
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: DH

Number of Stores: (at fiscal year end)

	Dept. Stores	Low Margin Stores	Specialty Stores	Softlines Stores
1979	45	86	470	60
1978	51	73	413	51
1977	46	64	364	
1976	44	56	313	
1975	39	52	273	

Sales and Earnings
(000's)

	Net Sales †	Net Income
1980	$ 3,384,800	$ 192,100
1979	2,961,900	264,900
1978	2,494,700	97,900
1977	2,125,800	77,000
1976	1,852,200	60,600

	No. of Com. Shares +	Earn. per Share +
1980	23,691,000	$ 8.10
1979	23,597,000	11.21
1978	23,500,000	4.16
1977	23,325,000	3.29
1976	22,947,000	2.63

† Of continuing operations only.
+ Based on the weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Department	$ 1,173,800	$ 1,172,300
Low margin	1,297,400	1,055,100
Specialty	257,700	255,000
Mervyn's	655,900	479,500
Total	$ 3,384,800	$ 2,961,900

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.65		
1979	1.45		
1978	1.25		
1977	0.96		
1976	0.66		

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$958,083,000	$40.44
1979	803,804,000	34.06
1978	574,589,500	24.45

‡ After allowing for preferred stock at liquidation value of $106 per share.
+ Based on the average number of shares outstanding.

Income Account
(000's)

Year ended	2/2/80	2/3/79
Revenues	$ 3,384,849	$ 2,961,884
Cost of sales	2,353,463	2,055,362
Expenses	626,559	539,474
Depreciation & amortization	43,720	34,401
Rental expense	50,836	43,530
Interest expense (income)	(1,062)	8,207
Interest and depreciation on capital leases	13,429	12,023
Other taxes	57,229	50,237
Unusual expenses		19,750
Income before taxes	$ 240,675	$ 198,900
Income taxes	114,205	101,261
Income from cont. oper.	$ 126,470	$ 97,639
Income from discont. oper.	65,619	167,266
Net Income	$ 192,089	$ 264,905

Assets
(000's)

As of	2/2/80	2/3/79
Cash & short-term invest.	$ 94,818	$ 61,456
Accts. receiv., net	521,432	468,850
Current assets of discontinued oper.	44,703	103,982
*Inventories	424,680	393,437
Other current assets	9,935	12,750
Current Assets	$ 1,095,568	$ 1,040,475
Investments	4,058	5,696
Fixed assets	629,773	472,187
Leased prop. under cap. leases	67,221	70,888
Non-curr. assets of discont. segment	36,165	48,244
Total Assets	$ 1,832,785	$ 1,637,490

Liabilities
(000's)

Long-term debt, curr. and cap. lease oblig.	$ 12,335	$ 11,715
Accts. payable	298,131	246,971
Accruals	163,718	142,455
Income taxes	156,914	142,151
Cur. liabilities of discont. segment	25,637	69,594
Curr. Liabilities	$ 656,735	$ 612,886
Long-term debt	117,602	94,310
Long-term liabilities of discon. segment	13,962	36,403
Long-term cap. lease oblig.	73,027	76,824
Deferred inc. taxes	8,848	8,702
+ Preferred stock	453	465
+ + Common stock	23,743	23,652
Add. paid-in capital	60,902	58,285
Retained earnings	877,513	725,963
Total Liabilities & Shareholders' Equity	$ 1,832,785	$ 1,637,490

* Using the retail inventory method (LIFO)
= Less accumulated depreciation
+ No par value
+ + $1 par value

Statistical Summary

%Net Income to Equity	19.95	32.77
Sales to Inventories	7.97	7.53
Working Capital	$438,833,000	$427,589,000
Current Ratio	1.67	1.70
Shareholders' Equity	$962,611,000	$808,365,000

Diamond International Corporation

733 Third Avenue
New York, New York 10017
(212) 697-1700

Officers: Joseph C. Brennan, chairman of the board; William J. Koslo, president & chief exec. officer; Vernon M. Grout, exec. v.p. & chief financial officer; Richard D. Cushman, John L. Guatelli, Richard F. Reifer, Harry E. Uehlein, James C. Wemyss, Jr., group v.p.'s; Roy E. Baharian, v.p.-technical services; Bruce E. Colwell, v.p.-lumber & timber operations; John T. Cummings, v.p.-industrial operations; Raphael Dubrowin, v.p.-public affairs; Harold B. Edwards, v.p.-European operations; Donald E. Knox, v.p.-plastic operations; Irvin H. Koenig, v.p.-match operations; George Pascale, v.p. & secretary; Norman F. Sanger, v.p.-corrugated operations; Victor Stronski, v.p. & general counsel; Charles C. Wemyss, v.p.-pulp & paper sales; Robert J. Mannion, comptroller; Ronald D. Rocheleau, treasurer.

Directors: Joseph C. Brennan*, chairman of the board; Vernon M. Grout, Charles L. Heekin, William J. Koslo*, Walter C. Langsam, Ada L. Martin*, William L. Pfeiffer*, William S. Rowe, William A. Shea*, James C. Wemyss, Jr.

Business Activities: Operates in eight principal business segments: lumber, retail, packaging, pulp & paper, specialty printing, matches, woodenware and machinery. The retail group supplies builders, individual consumers and commercial customers with lumber, hardware, paints, tools, garden products and many other building supplies through its Building Materials & Home Supply Centers in Colorado, Wyoming, Texas, California, Missouri, Kansas, Idaho, Maine, New Hampshire, Washington, New York, Connecticut, Massachusetts, Rhode Island, Nevada, Vermont, Oregon, South Dakota and Florida.

Divisions & Subsidiaries.

Lumber Division
Retail Division
Packaging Group
  Packaging Products Division
  Cincinnati, Lockland, & Middletown, Ohio; Morris & St. Charles, Illinois

  Diamond Graphic Arts Division
  Exeter, California

  Diamond Fiber Products Division
  Natchez, Miss.; Palmer, Mass; Plattsburgh, N.Y.; Red Bluff, Ca.

  Calmar Division
  City of Industry, California; Washington Court House, Ohio

  Diamond Paperboard Division
  Lockland & Middletown, Ohio

  Heekin Can Division
  Anderson Township & Cincinnati, Ohio; Augusta, Wis.; Blytheville, Ak.; Chestnut Hill, Clinton, Memphis, Tenn.; Springdale, Arkansas

  Mohawk Containers, Inc.
  Lancaster, & New Hartford, N.Y.; New Castle, Ind.

  Calmar-Albert Group
  Hemer, West Germany; Milan, Italy; Rouen, France

  Calmar Plastics Ltd.
  Rexdale, Ontario, Canada

  Omni-Pac Group
  Elsfleth, Hamburg, West Germany; Paris, France; Copenhagen, Denmark; Stockholm, Sweden

  Hartmann Fibre Ltd.
  Great Yarmouth & Reigate, Surrey, England

  Ital-Pac S.p.A.
  Biandrate, Italy

  Diamond National of Canada, Ltd.
  Brantford, Ontario, Canada

Pulp and Paper Group
  Groveton Papers Company
  Canton, Mass.; Gouverneur, N.Y.; Groveton & North Stratford, N.H.; Wilmington, Ill.

  Penobscot Division
  Old Town, Maine

  Hyde Park Paper Division
  Hyde Park, Mass.

Specialty Printing Group
  Diamond Graphic Arts Division
  Exeter, Los Angeles, San Francisco, California; Reno, Nevada

  The United States Playing Card Company
  Cincinnati, Ohio

  International Playing Card Co. Ltd.
  Windsor, Ontario, Canada

Matches, Woodenware and Machinery Group
  Diamond Match Division
  Cloquet, Minn.; Dixfield & Oakland, Me.; Springfield, Mass.

  Diamond Automation Division
  Canton & Farmington, Mich.; Montevallo, Ala.

  Manchester Machine Division
  Middletown, Ohio

  Diamond Automation G.m.b.H.
  Bremen, West Germany

Transfer Agent(s):

Diamond International Corporation
(common & preferred)
New York, New York 10017

First National Bank of Cincinnati (common)
Cincinnati, Ohio 45202

Crocker National Bank (common)
San Francisco, California 94138

Stock Exchange(s): New York, Cincinnati, Midwest, Pacific

Ticker Symbol: DN

Number of Stores: (at fiscal year end)

1979	121	1978	116

Sales and Earnings

	Net Sales	Net Income †
1979	$1,283,377,000	$ 61,687,000
1978	1,108,496,000	44,906,000
1977	978,776,000	46,927,000
1976	887,079,000	49,949,000
1975	779,072,000	49,192,000

	No. of Com. Shares ‡	Earn. per Share †‡
1979	12,849,000	$4.58
1978	12,837,000	3.47
1977	12,828,000	3.66
1976	12,796,000	3.90
1975	12,795,000	3.85

† Including extraordinary loss of $9,005,000 ($0.70 per share) in 1978.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business
(000's)

	1979	1978
Lumber	$ 135,000	$ 132,000
Retail	355,000	247,000
Packaging	462,000	421,000
Pulp & paper	188,000	163,000
Specialty printing	66,000	69,000
Other	77,000	76,000
Total	$ 1,283,000	$ 1,108,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$2.10	10%	
1978	2.00		
1977	1.86		
1976	1.82		
1975	1.82		

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$472,136,000‡	$36.74
1978	440,175,000‡	34.29
1977	421,401,000	32.85
1976	396,658,000	31.00
1975	369,811,000	28.90

† Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.
‡ After allowing for preferred stock at liquidation value of $16 per share.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 1,283,377	$ 1,108,496
Other income	5,719	3,740
Total income	$ 1,289,096	$ 1,112,236
Cost of sales	1,085,752	932,986
Expenses	100,921	81,692
Interest expense	9,036	5,647
Income before taxes	$ 93,387	$ 91,911
Income taxes	31,700	38,000
Net Income	$ 61,687	$ 53,911
Extraord. loss		(9,005)
Net Income & extraord. loss	$ 61,687	$ 44,906

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $41,183,000 in 1979 and $38,031,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 15,723	$ 9,949
Money market invest.	15,848	12,795
Receivables	169,857	162,540
*Inventories	173,027	160,445
Current Assets	$ 374,455	$ 345,729
=Fixed assets	376,302	327,724
Standing timber & cutting rights	25,086	24,086
Other assets	44,228	54,095
Total Assets	$ 820,071	$ 751,634

Diamond International Corporation

Liabilities
(000's)

Long-term debt, curr.	$ 2,916	$ 4,084
Accts. payable & accruals	131,933	109,857
Accruals	11,428	18,353
Short-term debt	37,121	16,900
Dividends payable	7,543	6,789
Curr. Liabilities	$ 190,941	$ 155,983
Long-term debt	83,875	84,432
Deferred inc. taxes	35,800	33,100
+ Preferred stock	2,332	2,371
+ + Common stock	6,433	5,837
Add. paid-in capital	118,846	79,568
Retained earnings	381,844	390,343
Total Liabilities & Shareholders' Equity	$ 820,071	$ 751,634

* At lower of cost (30% at LIFO; 70% at FIFO or average) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.28	8.29
%Net Income to Sales	4.81	4.86
%Net Income to Equity	12.11	11.28
Sales to Inventories	7.42	6.91
Working Capital	$183,514,000	$189,746,000
Current Ratio	1.96	2.22
Shareholders' Equity	$509,455,000	$478,119,000

Dillard Department Stores, Inc.

900 West Capitol Avenue
Little Rock, Arkansas 72203

Mailing Address:

Post Office Box 486
Little Rock, Arkansas 72203

Officers: William Dillard, chairman of the board & chief exec. officer; William Dillard II, president & chief operating officer; E. Ray Kemp, vice chairman of the board & chief administrative officer; Alex Dillard, exec. v.p.; J.K. Jamesoh, III, v.p. & secretary-treasurer; Don C. Bradley, G. Kent Burnett, Wynelle Chapman, A.W. Crittenden, Charles E. Franzke, J.M. Gus Hannahs, J. Michael Dillard, T.R. Gastman, C.F. Plunkett, N.M. Tiernan, J.B. Wilson, vice presidents.

Directors: William Dillard, chairman; Maurice R. Chambers, Will D. Davis, William Dillard II, E. Ray Kemp, Paul M. Leird, A.C.R. Dreesmann, Jack Pickens, Clarence Barksdale, John C. Whitehead, Alexander Dillard, Orson C. Clay, J. Michael Dillard, Anne M. McCarthy, B. Finley Vinson.

Business Activities: Operates department stores in Arkansas, Texas, New Mexico, Oklahoma, Missouri, Kansas and Louisiana.

Transfer Agent(s):

St. Louis Union Trust Company
St. Louis, Missouri

Chemical Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: DDSA

Number of Stores: (at fiscal year end)

1980	44	1977	37
1979	41	1976	31
1978	38		

Sales and Earnings

	Net Sales ‡	Net Income + †
1979	$391,301,813	$ 8,315,836
1978*	331,211,632	6,882,403
1977	269,431,384	4,518,859
1976	236,628,819	4,105,245
1975	198,656,316	4,057,104

	No. of Com. Shares #	Earn. per Share + # †
1979	2,609,477	$3.18
1978*	2,226,088	3.08
1977	1,926,580	2.33
1976	1,539,828	2.65
1975	1,537,691	2.62

* 53 weeks.
‡ Includes leased departments.
+ Including extraordinary credit of $259,067 ($0.17 per share) in 1977.
† Restated to reflect change in accounting method.
# Based on weighted average number of common stock Class A and Class B combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.40		
1978	0.40		
1977	0.40		
1976	0.40		
1975	0.40		

Common Stock Equity†

	Total Equity +	Equity Per Share #
1979	$ 93,585,034	$35.86
1978	78,795,063	35.40
1977	56,858,315	29.51
1976	53,132,085	34.51
1975	42,663,919	27.75

† Restated to reflect change in accounting method.
# Based on weighted average number of common stock Class A and Class B combined.
+ After allowing for preferred stock at par value.

Income Account

Year ended	2/2/80	2/3/79‡ (53 weeks)
Net sales	$391,301,813	$331,211,632
Other income	14,235,639	11,436,459
Total income	$405,537,452	$342,648,091
Cost of sales	253,444,344	216,846,497
Expenses	104,106,947	86,189,505
Depreciation & amortization	10,457,640	8,812,499
Rentals	7,812,902	5,723,312
Interest & debt expense	17,439,783	14,365,475
Income before taxes	$ 12,275,836	$ 10,710,803
Income taxes	3,960,000	3,828,400
Net Income	$ 8,315,836	$ 6,882,403

‡ Restated to reflect change in accounting method.

Assets

As of	2/2/80	2/3/79‡
Cash	$ 19,832,026	$ 31,632,003
Accts. rec. — net	12,169,469	9,436,649
Other receiv.	3,660,935	3,234,643
*Inventories	72,507,168	62,084,703
Prepaid expenses & supplies	1,064,402	782,861
Current Assets	$109,234,000	$107,170,859
Investment & other assets	15,506,637	12,974,495
#Fixed assets	115,930,731	91,849,062
Building under cap. leases	16,697,517	18,295,369
Total Assets	$257,368,885	$230,289,785

Liabilities

Long-term debt, curr.	$ 3,037,900	$ 4,369,972
Cap. lease oblig., curr.	786,267	745,522
Accts. payable	15,760,555	8,059,025
Accruals	14,516,990	12,889,841
Income taxes		1,549,291
Deferred inc. taxes	9,153,955	8,842,449
Curr. Liabilities	$ 43,255,667	$ 36,456,100
Long-term debt	90,825,775	86,319,244
Cap. lease oblig.	19,991,556	21,528,621
Deferred inc. taxes	9,270,855	6,750,752
+ Preferred stock	440,000	440,000
+ + Common stock	29,544,580	26,124,320
Add. paid-in capital	24,930,490	20,495,654
Retained earnings	39,430,717	32,175,094
Treasury stock	(320,753)	
Total Liabilities & Shareholders' Equity	$257,368,885	$230,289,785

‡ Restated to reflect change in accounting method.
* Lower of cost (LIFO) or market.
# Less accumulated depreciation & amortization.
+ $100 par value, 5% cumulative.
+ + $10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.14	3.23
%Net Income to Sales	2.1	2.08
%Net Income to Equity	8.84	8.69
Sales to Inventories	5.40	5.33
Working Capital	$ 65,978,333	$ 70,714,759
Current Ratio	2.53	2.94
Shareholders' Equity	$ 94,025,034	$ 79,235,068

Dillon Companies, Inc.

Box 1266
Hutchinson, Kansas 67501
(316) 663-6801

Officers: Ray E. Dillon, Jr., chairman of the board; Richard W. Dillon, president; Joseph A. Pichler, exec. v.p.; Paul W. Dillon, sr. v.p. & secretary-treasurer; Robert V. Armstrong, v.p. & controller.

Directors: Ray E. Dillon, Jr., chairman; Charles R. McCotter, Paul W. Dillon, Benjamin F. Stapleton, Peter M. Macdonald, Ross Beach, Frank Prinster, Jr., Ray E. Dillon, Lloyd J. King, Richard W. Dillon, Charles L. Fry, Joseph A. Pichler.

Business Activities: Operates supermarkets in Colorado, Kansas, Missouri, Arkansas, California, Wyoming, Utah, Oklahoma and Arizona and convenience stores in Kansas, Louisiana, Iowa, Nebraska and California.

Divisions & Subsidiaries:

King Soopers, Inc.
65 Tejon Street
Denver, Colorado 80223
(303) 778-3100
Discount supermarket chain located in Colorado.

Dillon Stores Division
P.O. Box 1608
Hutchinson, Kansas 67501
(316) 665-5511
Supermarket chain in Kansas, Arkansas and Oklahoma.

Kwik Shop, Inc.
734 East 4th
Hutchinson, Kansas 67501
(316) 669-8504
Convenience stores in Kansas, Nebraska, and Iowa.

D.G. Calhoun, Inc.
911 North Halstead
Hutchinson, Kansas 67501
(316) 663-7181
Suburban junior department stores located in Kansas.

Dillon Springfield Division
P.O. Box 908
Springfield, Missouri 65801
(417) 862-7052
Central-Missouri supermarkets.

City Market, Inc.
P.O. Box 729
Grand Junction, Colorado 81501
(303) 242-4234
Supermarket chain in Colorado, Wyoming and Utah.

Quik Stop Markets, Inc.
P.O. Box 1745
Fremont, California 94538
(415) 657-8500
Convenience stores in California.

Time Saver Stores, Inc.
5243 Canal Boulevard
New Orleans, Louisiana 70124
(504) 486-7221
Operates a chain of convenience stores in Louisiana.

Jackson Ice Cream Co., Inc.
2600 East Fourth
Hutchinson, Kansas 76501
(316) 663-1244
Ice cream and frozen novelties manufacturer.

Fry's Food Stores, Inc.
P.O. Box 987
El Sobrante, California 94803
(415) 222-2522
Operates a chain of supermarkets in the San Francisco bay area.

Fry's Food Stores of Arizona, Inc.
P.O. Box 6016
Phoenix, Arizona 85005
(602) 269-3171
Operates a chain of supermarkets in Phoenix and Tucson, Arizona.

Transfer Agent(s):

United Bank of Denver
1740 Broadway
Denver, Colorado 80202

Morgan Guaranty Trust Company of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: DLL

Number of Stores: (at fiscal year end)

	Super-markets	Con-venience Stores	Junior Dept. Stores
1980	212	324	17
1979	205	305	18
1978	201	284	18
1977	195	185	17
1976	185	186	15

Sales and Earnings

	Net Sales +	Net Income †
1980	$2,077,264,598	$ 27,396,782
1979	1,792,216,907	33,586,040
1978	1,465,277,046	27,756,926
1977	1,292,395,293	26,595,710
1976*	1,148,399,274	21,782,749

	No. of Com Shares	Earn. per Share ‡†
1980	16,135,488	$1.70
1979	10,744,809	2.08
1978	10,135,154	1.72
1977	9,215,239	1.66
1976*	8,589,979	1.35

* 53 weeks.
+ Includes franchise operations.
† Restated to reflect capitalization of leases.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Revenues by Line of Business

	1979	1978
Supermarket operations	$1,629,371,410	$1,351,933,642
Convenience Store Operations	143,298,176	93,843,079
Other	19,547,321	19,500,325
Total	$1,792,216,907	$1,465,277,046

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.88	—	3-for-2
1978	0.75	5%	—
1977	0.65	7%	—
1976	0.54	—	3-for-2
1975	0.44	7%	—

‡ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$152,621,582	$14.20
1978	133,192,294	13.14
1977	109,100,967	11.84
1976	92,052,133	10.72
1975	78,419,304	13.73

‡ Restated reflect capitalization of leases.

Income Account

Year ended	6/30/79	7/1/78 ‡
Net sales	$1,792,216,907	$1,465,277,046
Other income	7,917,942	9,273,767
Total Income	$1,800,134,849	$1,474,550,813
Cost of sales & oper. exp.	1,695,668,083	1,384,751,239
General & adm. exp.	20,546,005	18,514,601
Depreciation & amortization	18,644,602	14,949,094
Interest expense	6,641,175	6,062,618
Misc. taxes	217,944	227,335
Income before taxes	$ 58,417,040	$ 50,045,926
Income taxes	24,831,000	22,289,000
Net Income	$ 33,586,040	$ 27,756,926

‡ Restated to reflect capitalization of leases.

Assets

As of	6/30/79	7/1/78 ‡
Cash	$ 5,024,161	$ 4,875,943
Marketable securities	26,123,009	20,657,411
*Inventories	102,948,089	91,084,049
Other assets	22,375,576	16,203,635
Current Assets	$156,470,835	$132,821,038
Investments & other assets	6,324,913	7,429,578
#Fixed assets	158,557,179	125,018,159
Prop. under cap. leases	54,819,550	53,036,947
Excess cost of purch. prop.	10,997,081	11,160,601
Total Assets	$387,169,558	$329,466,323

Liabilities

Commercial paper & notes payable	$ 1,805,840	$ 527,418
Long-term debt, curr.	891,746	886,064
Accts. payable	101,752,339	87,407,656
Accrued payroll	6,151,313	4,546,869
Dividends payable	3,605,409	3,080,937
Prof. sh. contribution	3,403,365	3,796,755
Income taxes	2,628,009	1,974,044
Accrued interest & other taxes	5,297,360	5,127,879
Capital lease oblig.	1,402,280	1,255,025
Curr. Liabilities	$126,937,661	$108,602,647
Long-term debt:		
Oper. cost	12,932,403	1,248,426
Real estate subs.	16,580,026	14,030,784
Capital lease oblig.	61,799,394	58,848,348
Deferred income	2,929,811	3,547,551
Deferred inc. taxes	10,164,379	7,316,379
Other liabilities	3,204,302	2,679,894
+ Common stock	13,448,222	12,685,175
Add. paid-in capital	111,182,138	93,562,900
Retained earnings	28,123,470	27,076,448
Treasury stock	(132,248)	(132,229)
Total Liabilities & Shareholders' Equity	$387,169,558	$329,466,323

‡ Restated to reflect capitalization of leases.
* Store inventories valued by retail method. Other inventories stated at lower of cost (LIFO, FIFO in 1978) or replacement market.
# Less accumulated depreciation and amortization.
+ $1.25 par value

Statistical Summary

%Income bef. Taxes to Sales	3.26	3.42
%Net Income to Sales	1.87	1.89
%Net Income to Equity	22.01	20.84
Sales to Inventories	17.41	16.09
Working Capital	$ 29,533,174	$ 24,218,391
Current Ratio	1.23	1.22
Shareholders' Equity	$152,621,582	$133,192,294

Discount Fabrics, Inc.

4370 N.E. Halsey Street
Portland, Oregon 97213
(503) 288-9343

Officers: Bernard I. Galitzki, president; Pearl Gold Galitzki, exec. vice president; R. E. Tomlinson, v.p.-operations; Dean Scobie, v.p.-merchandising; Bill Gale, v.p.-sales; Kathleen A. Peasley, asst. v.p.-finance; Stewart Tremaine, secretary.

Directors: Bernard I. Galitzki, Pearl Gold Galitzki, King D. Shwayder, Allen W. Mathis, Louis Pozez, Lawrence Rennett.

Business Activities: Owns and operates Discount Fabric stores in Washington, Alaska, Oregon, Idaho, Montana, California and Gold's Fabrics in British Columbia.

Transfer Agent(s):

First National Bank of Oregon
Portland, Oregon

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: DFI

Number of Stores: (at fiscal year end)

1979	61	1976	70
1978	61	1975	62
1977	72		

Sales and Earnings

	Net Sales	Net Income +
1979	$ 14,819,207	$ 518,589
1978	15,693,107	457,484
1977	17,031,349	(1,791,722)
1976	17,338,316	190,898
1975	15,694,978	342,553

Discount Fabrics, Inc.

	No. of Com. Shares #	Earn. per Share # +
1979	992,632	$0.52
1978	992,632	0.46
1977	992,632	—
1976	992,632	0.19
1975	992,632	0.35

(Loss)
Based on average number of shares outstanding.
+ Including extraordinary gains of $266,000 ($0.27 per share) in 1979 and $205,000 ($0.21 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$3,592,605	$3.62
1978	3,074,016	3.10
1977	2,616,532	2.64
1976	4,482,707	4.52
1975	4,391,080	4.42

Based on average number of shares outstanding.

Income Account*

Year ended Sept. 30	1979	1978
Net sales	$ 14,819,207	$ 15,693,107
Cost of sales	7,288,283	7,847,069
Expenses	7,319,091	7,644,587
Gain on store closures	(456,059)	(357,347)
Other income	(11,892)	(30,607)
Interest expense	161,195	141,221
Income before taxes	$ 518,589	$ 448,184
Income taxes	266,000	195,700
Net Income	$ 252,484	$ 252,484
Extraord. gain	266,000	205,000
Net Income & extraord. gain	$ 518,589	$ 457,484

* Included in Costs and Expenses, Depreciation and Amortization: $280,734 in 1979 and $281,775 in 1978.

Assets

As of Sept. 30	1979	1978
Cash	$ 378,676	$ 232,765
Accts. & notes receiv	98,747	25,977
* Inventories	5,608,500	5,295,137
Prepaid expenses	35,772	67,651
Current Assets	$ 6,121,695	$ 5,621,530
Notes receivable	141,071	152,019
# Fixed assets	807,376	992,286
Other assets	129,489	137,669
Total Assets	$ 7,199,631	$ 6,903,504

Liabilities

	1979	1978
Notes payable	$ 450,000	$ 650,000
Long-term debt, curr	246,480	160,500
Accts. payable	1,975,773	2,023,138
Reserve for loss	—	456,059
Accruals	300,306	293,383
Income taxes	19,760	19,960
Curr. Liabilities	$ 2,992,319	$ 3,603,040
Long-term debt	614,707	226,448
+ Common stock	1,602,999	1,725,574
Retained earnings	1,989,606	1,471,017
Treasury stock		(122,575)
Total Liabilities & Shareholders' Equity	$ 7,199,631	$ 6,903,504

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ No par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	3.50	2.86
%Net Income to Sales	1.70	1.61
%Net Income to Equity	7.03	8.21
Sales to Inventories	2.64	2.96
Working Capital	$ 3,129,376	$ 2,018,490
Current Ratio	2.05	1.56
Shareholders' Equity	$ 3,592,605	$ 3,074,016

Dollar General Corporation

427 Beech Street
Scottsville, Kentucky 42164
(502) 237-5444

Officers: Cal Turner, chairman of the board; Cal Turner Jr., president; Steve Turner, exec. v.p.; Robert Clinard, vice president-development; Edward Burke, vice president & secretary-treasurer; Walter Gupton, vice president-retail operations; Howard Cole, Felbert Myers, v. p.'s.

Directors: Cal Turner, Cal Turner, Jr., Robert C. Clinard, Hubert Craddock, Steve Turner, Edward Burke.

Business Activities: Engaged in the sale of merchandise at retail through company owned soft goods stores and at wholsale to affiliated retail stores. These stores are located in 22 states in the Southeast, with the strongest concentration in Kentucky and Tennessee. Most are operated under the name "Dollar General Stores" Most of the affiliated retail stores for which the company is wholesaler are operated pursuant to franchise agreements. The company also wholesales merchandise to independently owned stores which operate under names other than Dollar General ("Associate Stores").

Transfer Agent(s):

Third National Bank
Nashville, Tennessee

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DOLR (NASDAQ)

Number of Stores: (at fiscal year end)

	Owned Units	Franchise & Assoc. Stores
1979	688	59
1978	632	101
1977	671	90
1976	418	262
1975	410	245

Sales and Earnings

	Net Sales	Net Income
1979	$177,774,000	$ 6,259,000
1978	161,694,226	4,880,976
1977	129,559,622	4,805,445
1976	109,132,216	4,223,301
1975	87,844,252	3,260,904

	No. of Com. Shares #	Earn. per Share #
1979	3,250,000	$1.93
1978	3,250,000	1.50
1977	3,250,000	1.48
1976	3,250,000	1.30
1975	3,257,000	1.00

Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1979	1978	1977	1976
Co.-owned Dollare General Stores	95%	94%	85%	79%
Gibson's Discount Centers	—	—	—	2
Wholesale sales	5	6	15	19
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.25	10%	—
1978	0.19	10%	
1977	0.15	10%	—
1976	0.10	10%	—
1975	0.06		

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ 44,677,000	$13.75
1978	39,233,261	12.07
1977	34,986,000	10.76
1976	30,660,047	9.43
1975	26,776,833	8.22

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$177,774,000	$161,694,226
Cost of sales	126,147,000	115,164,325
Expenses	39,568,000	36,757,925
Income before taxes	$ 12,059,000	$ 9,771,976
Income taxes	5,800,000	4,891,000
Net Income	$ 6,259,000	$ 4,880,976

* Included in Costs and Expenses, Depreciation and Amortization: $1,140,000 in 1979 and $938,351 in 1978.

Assets

As of Dec. 31	1979	1978
Cash & cash equiv	$ 5,877,000	$ 8,809,299
*Inventories	61,040,000	53,550,810
Other assets	1,452,000	1,160,699
Current Assets	$ 68,369,000	$ 63,520,808
# Fixed assets	7,843,000	7,365,802
Other assets	1,190,000	1,553,022
Total Assets	$ 77,402,000	$ 72,439,632

Liabilities

	1979	1978
Long-term debt, curr	$ 1,141,000	$ 1,135,586
Accts. payable & accruals	11,927,000	12,765,876
Income taxes	3,640,000	1,907,509
Curr. Liabilities	$ 16,708,000	$ 15,808,971
Long-term debt	15,574,000	16,964,400
Deferred inc. taxes	443,000	433,000
+ Common stock	1,733,000	1,576,300
Add. paid-in capital	13,458,000	10,755,902
Retained earnings	31,324,000	28,739,377
Treasury stock	(1,838,000)	(1,838,318)
Total Liabilities & Shareholders' Equity	$ 77,402,000	$ 72,439,632

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	6.78	6.04
%Net Income to Sales	3.52	3.02
%Net Income to Equity	14.01	12.44
Sales to Inventories	2.91	3.02
Working Capital	$ 51,661,000	$ 47,711,837
Current Ratio	4.09	4.02
Shareholders' Equity	$ 44,677,000	$ 39,233,261

Dominion Citrus & Drugs Ltd.

Ontario Food Terminal
The Queensway
Toronto, Ontario, Canada M8Y 1H8
(416) 259-5481

Officers: Michael Blidner, president; Harold Soupcoff, executive vice president; Jack Austin, vice president; Louis E. Soupcoff, secretary-treasurer.

Directors: Jack Austin, Ben Blidner, Michael Blidner, Charles A. Cadieux, Gordon Clarke, Maurice Cohen, Harold Hertzman, Harry Izen, Louis Kirshenblatt, Norm Radke, Gregory Real, Jack M. Roth, Richard Sevazlian, Sydney Shrott, Harold Soupcoff, Louis E. Soupcoff, Jess Zelikovitz

Business Activities: Operates and services retail drug outlets in Woolco and Woolworth Department Stores. Also engaged in the wholesale distribution of fresh fruits and vegetables for the province of Ontario.

Divisions & Subsidiaries:

Produce Division

Dominion Citrus & Drugs Limited
Dominion Farm Produce Limited
Skrow's Produce (1971) Ltd.
Country Fresh Packaging Company

Drug Division

Jack Austin Drugs Limited
Fern Distributors (Division of Jack Austin Drugs Limited)
Jack Austin Pharmacy (Alberta) Limited
Jack Austin Pharmacy (Saskatchewan) Limited
Jack Austin Drugs (B.C.) Ltd.

Transfer Agent(s):

Guaranty Trust Company of Canada
Toronto, Ontario, Canada

Stock Exchange(s): Toronto

Ticker Symbol: DNCQ (Class A Special Shares), DNCK (Class B Special Shares)

Number of Retail Outlets: (at fiscal year end)

1980	104	1977	83
1979	93	1976	78
1978	87		

Sales and Earnings

	Net Sales	Net Income
1980	$112,182,727	$ 1,487,800
1979	98,711,320	1,677,117
1978	88,453,451	1,420,025
1977	79,428,292	1,432,592
1976	67,274,089	1,216,718

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,692,000	$0.88
1979	1,667,000	1.01
1978	1,632,500	0.87
1977	1,632,500	0.88
1976	1,698,500	0.72

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1980	1979
Drug division	$ 72,602,457	$ 61,993,150
Produce division	39,580,270	36,718,170
Total	$112,182,727	$ 98,711,320

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.25		
1979	0.23		2-for-1
1978	0.19		
1977	0.15		
1976	0.12		

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 10,112,831	$5.98
1979	8,996,872	5.35
1978	7,580,835	4.64
1977	6,470,985	3.97
1976	5,283,268	3.24

‡ Adjusted to reflect stock split

Income Account

Year ended Jan. 31	1980	1979
Net sales	$112,182,727	$ 98,711,320
Cost of sales & expenses	108,375,683	94,878,789
Depreciation & amortization	664,515	583,812
Int. on long-term debt	99,585	95,761
Other interest	665,144	410,841
Income before taxes	$ 2,377,800	$ 2,742,117
Income taxes	890,000	1,065,000
Net Income	$ 1,487,800	$ 1,677,117

Assets

As of Jan. 31	1980	1979
Cash	$ 208,553	$ 154,901
Marketable securities	122,944	118,681
Accts. receiv., net	5,196,745	5,301,977
*Inventories	20,709,614	17,393,019
Recoverable inc. taxes	140,301	145,628
Prepaid expenses & sundry assets	211,760	
Current Assets	$ 26,589,917	$ 23,114,206
≠Fixed assets	3,562,611	3,573,807
Other assets	528,103	526,730
Total Assets	$ 30,680,631	$ 27,214,743

Liabilities

Notes payable	$ 475,653	$ 245,800
Bank indebtedness	5,341,125	7,265,331
Accts. payable	13,894,475	9,466,032
Long-term debt, curr.	260,000	260,000
Inc. taxes payable		186,161
Curr. Liabilities	$ 19,971,253	$ 17,423,324
Long-term debt	260,000	520,000
Deferred inc. taxes	336,547	274,547
+ Common stock	302,605	250,805
Retained earnings	9,986,966	8,922,807
Treasury stock	(176,740)	(176,740)
Total Liabilities & Shareholders' Equity	$ 30,680,631	$ 27,214,743

* At lower of cost (F.I.F.O.) and net realizable value.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.12	2.78
%Net Income to Sales	1.33	1.70
%Net Income to Equity	14.71	18.64
Sales to Inventories	5.42	5.68
Working Capital	$ 6,618,664	$ 5,690,882
Current Ratio	1.33	1.33
Shareholders' Equity	$ 10,112,831	$ 8,996,872

Dominion Stores Limited

605 Rogers Road
Toronto, Ontario, M6M 1B9, Canada
(416) 652-2000

Officers: Thomas G. Bolon, deputy chairman & chief executive officer; Allen C. Jackson, president & chief operating officer; John C. Toma, sr. v.p.-marketing; A. William Tomlin, sr. v.p. administration; John A. Pander, sr. v.p.-retail operations; Allister M. MacDonald, v.p.-real estate & development; Larry C. Gee, v.p.-distribution services; James B. Williams, v.p.-corporate planning; Roger E. Acton, v.p.-merchandising; Raymond J. Menard, v.p.-produce merchandising; Vlad Romanchych, v.p.-Company Brands; Chester H. Wilcox, v.p.-meat merchandising; John R. Morrison, v.p., general counsel & secretary.

Directors: Lewis H. M. Ayre, Thomas G. Bolton*, Glen W. Davis, Allen C. Jackson*, Ronald T. Riley, Pierre Paul Daigle, Conrad M. Black*, Clarence L. Gosse, W. John McKeag, Trumbull Warren, Andre Monast, Dixon S. Chant, Beryl A. Plumptre, G. Montegu Black.

* Member of Executive Committee

Business Activities: Operates a chain of retail food stores throughout Canada.

Transfer Agent(s):

Crown Trust Company
Toronto, Montreal and Vancouver

Canada Permanent Trust Company
Halifax and Saint John, Canada

The Canadian Bank of Commerce Trust Company
New York, New York

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: DMS

Number of Stores: (at fiscal year end)

1980	377	1977	377
1979	376	1976	387
1978	379		

Sales and Earnings

	Net Sales	Net Income
1980*	$2,663,857,000	$ 27,281,000
1979	2,405,385,000	24,077,000
1978	2,215,836,000	20,836,000
1977	2,026,488,000	16,198,000
1976	1,913,986,000	20,437,000

	No. of Com. Shares	Earn. per Share
1980*	8,565,331	$3.18
1979	8,557,731	2.81
1978	8,525,831	2.44
1977	8,516,596	1.90
1976	8,513,841	2.40

* 53 weeks

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.10	—	—
1979	0.92	—	—
1978	0.96	—	—
1977	0.91	—	—
1976	1.01	—	—

Dominion Stores Limited

Common Stock Equity

	Total Equity	Equity Per Share
1980	$178,291,000	$20.82
1979	160,317,000	18.73
1978	143,654,000	16.85
1977	130,868,000	15.37
1976	122,383,000	14.37

Income Account
(000's)

Year ended	3/22/80 (53 weeks)	3/17/79
Net sales	$ 2,663,857	$ 2,405,385
Cost of sales & exp.	2,181,888	2,006,570
Employees' salaries and benefits	379,203	313,192
Depreciation	23,853	19,434
Interest expense	11,128	9,348
Misc. taxes	18,173	15,702
Investment income	(1,769)	(2,562)
Income before taxes	$ 51,381	$ 43,701
Income taxes	22,788	19,158
Minority interest	1,312	466
Net Income	$ 27,281	$ 24,077

Assets
(000's)

As of	3/22/80	3/17/79
Cash	$ 1,992	$ 8,692
Short term investments	3,400	14,000
Accts. receiv., net	19,602	12,948
Mortgages receiv.	39	726
*Inventories	199,079	175,145
Prepaid expenses	3,517	2,688
Deferred taxes	21	167
Current Assets	$ 227,650	$ 214,366
Investments in controlled co.	—	3,662
Mortgages & other invest.	1,235	504
# Fixed assets	224,241	172,524
Unamort. debent. discount	975	1,031
Total Assets	$ 454,101	$ 392,087

Liabilities
(000's)

Long-term debt, curr.	$ 228	$ 26,172
Accts. payable & accruals	124,246	109,875
Income & sundry taxes	14,341	10,750
Promissory notes & accrued interest	21,958	
Curr. Liabilities	$ 160,773	$ 146,797
Long-term debt	86,073	67,335
Deferred inc. taxes	22,365	15,755
Minority interest	6,599	1,883
+ Common stock	22,078	21,966
Retained earnings	156,213	138,351
Total Liabilities & Shareholders' Equity	$ 454,101	$ 392,087

* At lower of cost or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	1.93	1.82
% Net Income to Sales	1.02	1.00
% Net Income to Equity	15.30	15.02
Sales to Inventories	13.38	13.73
Working Capital	$ 66,877,000	$ 67,569,000
Current Ratio	1.42	1.46
Shareholders' Equity	$178,291,000	$160,317,000

Drug Fair Inc.

6295 Edsall Road
Alexandria, Virginia 22314
(703) 370-7700

Officers: Milton L. Elsberg, president and chief executive officer; Myron Gerber, chairman of the board and chief operations officer; Sylvan Gerber, executive vice president & chairman of exec. mngmnt. committee; Stuart M. Elsberg, senior vice president; Morris Freidson, sr. v.p.-administration; Marion Shalowitz, v.p.-purchasing; Harold F. Elsberg, v.p.-store administration & human relations; Paul S. Forbes, v.p.-communications & public affairs; Robert Osborn, v.p.-store operations; Thomas F. Patterson, v.p.-merchandising & marketing; Gerald Cohen, v.p.-personnel & human resources; Richard Delap, v.p.-data services; Edward Spearbeck, v.p.-professional services; Bernard Levy, v.p.-market research; Michael Warner, treasurer & chief financial officer; Ronald C. Williams, controller; Robert N. Weinstock, corp. counsel & secretary; Irving F. Cohn, Rita K. Elsberg, asst. secretaries; Rose Gerber, asst. treasurer.

Directors: Milton L. Elsberg, Rose Gerber, Rita K. Elsberg, John A. Logan, Milton Lyons, Sylvan Gerber, Myron Gerber, Stuart Elsberg, Vincent C. Burke, Jr., Jude P. West.

Business Activities: Company operates a chain of Drugfair drug stores, Wrangler Wranch clothing stores and Scoops and Soup'r Scoops ice cream parlor-sandwich shops in the Washington, D.C. metropolitan area, Virginia, Delaware, West Virginia, Pennsylvania, and Maryland.

Transfer Agent(s):

Riggs National Bank
Washington, D.C.

Stock Exchange(s): American

Ticker Symbol: DF

Number of Stores: (at fiscal year end)*

1980	170	1977	161
1979	170	1976	158
1978	165		

* Number of Drugfair Stores

Sales and Earnings +

	Net Sales	Net Income
1980	$266,452,000	$ 1,831,000
1979*	247,928,000	1,649,000
1978	238,746,000	2,271,000
1977	229,426,000	2,905,000
1976	218,289,000	4,171,000

	No. of Com. Shares	Earn. per Share ‡
1980	1,683,373	$0.45
1979*	1,683,373	0.94
1977	1,683,373	1.27
1977	1,757,113	1.65
1976	1,598,419	2.37

* Unaudited
+ Of continuing operations only
‡ Based on average number of shares outstanding adjusted to reflect stock dividend

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.40		
1979	0.40		
1978	0.40		
1977	0.40		
1976	0.40	10%	

‡ Adjusted to reflect stock dividend

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 29,686,104	$17.63
1979	29,605,091	17.59
1978	28,920,388	17.18
1977	28,159,221	16.03
1976	25,953,260	14.77

‡ Adjusted to reflect stock dividend

Income Account

Year ended	1/26/80	1/27/79 +
Net sales	$266,452,392	$247,928,039
Cost of sales	182,192,935	169,549,214
Expenses	78,499,634	73,593,928
Depreciation & amortization	1,884,555	1,635,555
Interest expense	1,055,765	760,520
Income before taxes	$ 2,819,503	$ 2,388,822
Income taxes	987,689	740,200
Income from cont. oper.	$ 1,831,814	$ 1,648,622
Loss from discont. oper.	(1,077,452)	(56,761)
Net Income	$ 754,362	$ 1,591,861

+ Unaudited

Assets

As of June 30	1/26/80	1/27/79 +
Cash	$ 2,651,595	$ 1,163,043
Accts. & notes receiv., net	4,340,731	3,393,152
*Inventories	38,459,348	42,241,134
Prepaid expenses	532,364	741,400
Assets of discont. oper.	1,485,677	—
Current Assets	$ 47,469,715	$ 47,538,729
# Fixed assets	16,765,996	16,569,251
Other assets	1,697,938	1,492,517
Total Assets	$ 65,933,649	$ 65,600,497

Liabilities

Notes payable	$ 4,000,000	$ 4,000,000
Long-term debt, curr.	175,421	112,688
Accts. payable	17,569,019	19,207,612
Accruals	4,200,229	3,672,727
Income taxes	755,761	—
Liab. of discont. oper.	357,411	—
Curr. Liabilities	$ 27,057,841	$ 26,993,027
Long-term debt	8,948,560	8,666,610
Deferred inc. taxes	241,144	335,769
+ Common stock	1,757,113	1,757,113
Add. paid-in capital	7,458,493	7,458,493
Retained earnings	21,226,333	21,145,320
Treasury stock	(755,835)	(755,835)
Total Liabilities & Shareholders' Equity	$ 65,933,649	$ 65,600,497

+ Unaudited
* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Net Income to Equity	2.54	5.38
Sales to Inventories	6.93	5.87
Working Capital	$ 20,411,874	$ 20,545,702
Current Ratio	1.75	1.76
Shareholders' Equity	$ 29,686,104	$ 29,605,091

Duckwall-ALCO Stores, Inc.

401 Cottage Street
Abilene, Kansas 67410
(913) 263-3350

Officers: A. L. Duckwall, Jr., chairman of the board; R. R. Soelter, president& chief executive officer; Melvin G. Shurson, sr. vice president-merchandise; B. H. Payne, sr. vice president-operations; Gary Lowry, v.p.-finance & treasurer; C. L. Verble, vice president-real estate; J. E. Schoenbeck, v.p.-admn.; L. H. Johnsen, v.p.-personnel; Charles E. Bogan, secretary; Steve Marsh, controller.

Directors: A. L. Duckwall, Jr., R. G. Sanborn, Charles E. Bogan, Philip R. Clarke, Jr., Melvin G. Shurson, R. R. Soelter, B. H. Payne, C.L. Brainard, C. L. Verble, G. W. Lowry.

Business Activities: Operates Duckwall Variety Stores, Alco Discount Stores in the nine state area of Kansas, Colorado, New Mexico, Iowa, Texas, Nebraska, Minnesota, South Dakota, and Wyoming.

Transfer Agent(s):

The Continental Illinois National Bank and
Trust Company
Chicago, Illinois

The Fourth National Bank and Trust Company
Wichita, Kansas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DUCK (NASDAQ)

Number of Stores:

1980	106	1977	99
1979	100	1976	103
1978	102		

Sales and Earnings

	Net Sales	Net Income
1980	$172,785,639	$ 4,375,634
1979	144,205,007	3,106,368
1978	129,960,547	2,923,541
1977	122,245,307	2,223,876
1976	107,618,453	1,848,625

	No. of Com. Shares +	Earn. per Share‡
1980	1,604,733	$2.72
1979	1,600,958	1.94
1978	1,599,239	1.83
1977	1,599,239	1.39
1976	1,599,239	1.16

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.
+ Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.34	25%	—
1979	0.28	25%	—
1978	0.22	—	—
1977	0.16		—
1976	0.12	—	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 26,948,817	$16.79
1979	23,095,217	14.43
1978	20,440,662	12.78
1977	17,875,416	11.18
1976	15,907,465	9.95

+ Adjusted to reflect stock dividends.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$172,785,639	$144,205,007
Cost of sales	118,021,576	100,001,724
Expenses	38,728,612	31,911,295
Depreciation & amortization	2,835,848	2,448,350
Prof. sh. plan	1,231,072	694,467
Interest expense	3,844,897	3,324,803
Income before taxes	$ 8,123,634	$ 5,824,368
Income taxes	3,748,000	2,718,000
Net Income	$ 4,375,634	$ 3,106,368

Assets

As of Jan. 31	1980	1979
Cash	$ 3,933,534	$ 7,187,903
Accts. receiv., net	395,175	282,519
*Inventories	44,717,654	33,858,771
Prepaid expenses	53,091	557,362
Current Assets	$ 49,099,454	$ 41,886,555
#Fixed assets	10,965,268	7,786,726
Prop. under cap. leases	29,201,444	24,652,614
Deferred inc. taxes	992,000	821,000
Total Assets	$ 90,258,166	$ 75,146,895

Liabilities

Note payable	$ 800,000	$ —
Long-term debt, curr.	407,505	360,742
Cap. lease oblig.	1,913,914	1,818,428
Accts. payable	7,183,383	6,457,129
Accruals	2,292,644	2,011,709
Accrued payroll	2,326,733	1,423,580
Prof. sh. contribution	1,231,072	694,467
Income taxes	1,124,946	293,949
Curr. Liabilities	$ 17,280,197	$ 13,060,004
Long-term debt	16,104,072	13,735,976
Cap. lease oblig.	28,751,003	23,993,476
Unearned rental inc.	1,174,077	1,262,222
+Common stock	4,011,833	3,201,915
Add. paid-in capital	1,409,554	2,190,465
Retained earnings	21,527,430	17,702,837
Total Liabilities & Shareholders' Equity	$ 90,258,166	$ 75,146,895

* At lower of cost or market.
# Less accumulated depreciation & amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	4.70	4.04
%Net Income to Sales & Rev.	2.53	2.15
%Net Income to Equity	16.24	13.45
Sales to Inventories	3.86	4.26
Working Capital	$ 31,819,257	$ 28,826,551
Current Ratio	2.84	3.21
Shareholders' Equity	$ 26,948,817	$ 23,095,217

Dylex Limited

637 Lake Shore Boulevard West
Toronto, Ontario, M5V 1A8, Canada
(416) 591-7000

Officers: L.H. Posluns, honorary chairman of the board; J.F. Kay, chairman of the board; Wilfred Posluns, president; Jack Posluns, treasurer & exec. v.p.; Irving Posluns, exec. vice president; Kenneth Axelrod, v.p.-Manchester Clothing; Alfred Callegari, v.p.-special projects; Gordon Edelstone, v.p.-Tip Top; Irving Levine, v.p.-Fairweather; Chris Schwartz, v.p.-Tip Top; Paul Cooper, v.p.-Family Fair; Sydney Loftus, v.p.-Dylex Real Estate; Paul Mancini, v.p.-Canadian Clothiers; Joel N. Cooper, v.p.-Braemar; Lionel Robins, v.p.-Fairweather; Harry Rosen, v.p.-Harry Rosen Men's Wear; David Rosenberg, v.p.-manufacturing; George Fine, v.p.-Family Fair; Henry Zagdanski, v.p.-Nu Mode Dress; Donald Williams, secretary.

Directors: Kenneth Axelrod, D.W. Casey, George Fine, J.F. Kay, S.F. Kay, David Korn, Irving Levine, Sydney Loftus, Irving Posluns, Jack Posluns, L.H. Posluns, Wilfred Posluns, Lionel Robins, Harry Rosen, S.M. Sigel, W.H. Singer, H.J. Stitt, Henry Zagdanski, A.H. Zaldin.

Business Activities: Engaged in the specialty merchandising of apparel with women's, men's and family retail clothing stores located throughout Canada. Stores operate under such names as Fairweather, Big Steel Man, Braemar, Suzy Shier, Tip Top, Harry Rosen, Thrifty's and Family Fair. Manufactures women's and children's coats and dresses marketed under such brand names as "Young Canadian," "Thunder Bay," "Irving Posluns," "Pic Knit," and "Nu Mode." The Shoe Shoppe, in which Dylex has a 50% interest, operates free standing shoe stores and shoe departments. Dylex holds a 50% interest in Town & Country, a chain of sports and casual women's wear stores.

Divisions & Subsidiaries:

Irving Posluns Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8, Canada

Tip Top Tailors Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8, Canada

Manchester Children's Wear Co. Division
9494 St. Laurent Boulevard
Montreal, Ontario, Canada

Family Fair Division
233 Carlaw Avenue
Toronto, Ontario, Canada

Dylex Acceptance Corporation Limited
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8, Canada

Fairweather Inc.
Divisions:

Fairweather
637 Lakeshore Boulevard West
Toronto, Ontario, Canada

Nu Mode Dress
530 Adelaide St. West
Toronto, Ontario, Canada

Canadian Clothiers
637 Lakeshore Boulevard West
Toronto, Ontario, Canada

National Knitting Mills Company
1485 Dupont Street
Toronto, Ontario, Canada

Harry Rosen Men's Wear Limited (51% owned)
637 Lakeshore Boulevard West
Toronto, Ontario, Canada

The Shoe Shoppe Limited (50% owned)
855 York Mills Road
Ste. 301, Don Mills, Ontario, Canada

Thrifty's Riding & Sport Shop Ltd. (50.01% owned)
115 Commander Boulevard
Scarborough, Ontario, Canada

Brody's Town & Country (1967) Ltd. (50% owned)
47 Orfus Road
Toronto 290, Ontario, Canada

Drug World Ltd. (50% owned)
200 Wildcat Road
Unit 220, Downsview, Ontario, Canada

Forsyth Trading Company Ltd. (33.33% owned)
36 Horner Avenue
Toronto, Ontario, Canada

Manchester Manufacturing Inc. (42% owned)
117 Main Street
Colebrooke, New Hampshire

Dylex Limited

Suzy Shier Inc. (50.1% owned)
1604 St. Regis Boulevard
Dorval, Quebec, Canada

Bi-Way Stores (50% owned)
92 Doncaster Avenue
Thornhill, Ontario, Canada

Shane Knits
456 Alliance Avenue
Toronto, Ontario, Canada

Transfer Agent(s):

National Trust Company, Limited
21 King St. East
Toronto, Ontario, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: DLX

Number of Stores: (at fiscal year end)

1979	730	1976	344
1978	661	1975	299
1977	458		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1979	$ 371,592	$ 9,045
1978*	329,512	12,272†
1977	271,285	8,541
1976	244,235	7,274
1975	208,211	7,424

	No. of Com. Shares ≠	Earn. per Share ‡ ≠
1979	5,926,000	$1.53
1978	5,926,000	2.07†
1977	5,826,000	1.47
1976	5,826,000	1.25
1975	5,826,000	1.27

* 53 weeks.
‡ Before extraordinary items.
† Restated to reflect capitalization of leases.
≠ Based on average number of common shares and Class A preference shares combined.

Revenues by Line of Business
(000's)

	1979	1978
Retail	$ 334,195	$ 299,488
Fashion manufacturing	45,360	34,835
Inter-group	(7,963)	(4,811)
Total	$ 371,592	$ 329,512

Capital Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.40	—	—
1978	0.325	—	—
1977	0.225	—	—
1976	0.225	—	—
1975	0.20	—	—

‡ On class A shares.

Shareholders' Equity †

	Total Equity	Equity Per Share ‡
1979	$ 72,299,000	$12.20
1978	65,297,000	11.02
1977	55,059,000	9.45
1976	46,839,000	8.04
1975	40,876,000	7.02

† Restated to reflect capitalization of leases.
‡ Based on average number of shares and Class A preference shares combined.

Income Account
(000's)

Year ended	2/2/80	2/3/79‡ (53 weeks)
Net sales	$ 371,592	$ 329,512
Other income	3,170	2,692
Total income	$ 374,762	$ 332,204
Cost of sales	345,941	300,272
Depreciation & amortization	8,634	7,006
Interest expense	8,245	5,640
Income before taxes	$ 14,942	$ 19,286
Income taxes	4,890 *	8,361
Investments	(3,366)	(2,820)
Minority interest	1,373	1,473
Net Income	$ 9,045	$ 12,272
Extraord. gain	327	
Net Income & extraord. gain	$ 9,372	$ 12,272

‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	2/2/80	2/3/79 ‡
Accts. receiv., net	$ 29,590	$ 29,970
Sundry debtors	426	373
*Inventories	67,492	61,791
Prepaid expenses	878	1,547
Current Assets	$ 98,386	$ 93,681
Investments	21,867	19,012
≠ Fixed assets	22,759	21,642
Leased assets under cap. leases	34,402	29,402
Intangibles	872	897
Total Assets	$ 178,286	$ 164,634

Liabilities
(000's)

Long-term debt, curr.	$ 1,683	$ 1,689
Bank indebtedness	3,637	2,210
Accts. payable & accruals	31,683	31,448
Income & other taxes	1,576	6,553
Notes payable	7,979	5,434
Oblig. under cap. leases	5,988	4,274
Curr. Liabilities	$ 52,546	$ 51,608
Long-term debt	15,542	14,800
Oblig. under cap. leases	28,120	25,046
Minority interest	7,885	6,512
Deferred inc. taxes	1,894	1,371
+ Common stoc	1,730	1,730
+ Class A Stock	22,053	22,053
Add. paid-in capital	1,612	1,634
Retained earnings	46,904	39,880
Total Liabilities & Shareholders' Equity	$ 178,286	$ 164,634

‡ Restated to reflect capitalization of leases.
* At lower of cost and net realizable value.
≠ Less accumulated depreciation.
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	3.21	5.85
%Net Income to Sales	2.43	3.72
%Net Income to Equity	12.51	18.79
Sales to Inventories	5.51	5.33
Working Capital	$ 45,840,000	$ 42,073,000
Current Ratio	1.87	1.82
Shareholders' Equity	$ 72,299,000	$ 65,297,000

Edison Brothers Stores, Inc.

400 Washington Avenue
P.O. Box 14020
St. Louis, Missouri 63178
(314) 444-6000

Officers: Julian I. Edison, chairman of the board; Bernard A. Edison, president; Samuel L. Demoff, Andrew E. Newman, Norman Rosenthal, exec. vice presidents; Eric P. Newman, exec. v.p. & secretary; vice presidents: G. Richard Oscarson, real estate, Bernard W. Colton, architecture & construction, Richard E. Strassner, corp. development, Walter H. Heinecke-real estate, Arthur J. Hollenbach-traffic manager, Harold M. Winter-income taxes, Louis L. Pate-controller, Morgan L. Pitcher, Jr.-property taxes, Louis G. Melchior-finance, M. Richard Wyman-corp. development, Frank P. Ricca, Jr.-real estate, Martin Sneider-Jeans West, Edgar F. Berner, E.L. Jeffryes, Harvey W. Rosen, v.p.'s; Jerald M. Alton, v.p. & asst. secretary; George J. Lucas, Dan Orlando, v.p.-insurance; Thomas K. McCain, asst. v.p.-income taxes; John F. Quigley, asst. v.p.-internal auditing.

Directors: Irving Edison, Bernard A. Edison, Samuel L. Demoff, Julian I. Edison, Eric P. Newman, Henry Kohn, Norman Rosenthal, Walter H. Heinecke, Louis G. Melchior, Andrew E. Newman, E.L. Jeffryes, Darryl R. Francis, Edward J. Schnuck, M. Richard Wyman, Martin Sneider, Edgar F. Berner, Harvey W. Rosen.

Business Activities: Operates women's shoe stores under the names Chandlers, Bakers, Leeds, Burts and The Wild Pair. Also operates leased shoe departments, Joan Bari Boutiques, a chain of hardware stores under the name of The Handyman; and four chains of ready-to-wear stores, Jeans West, Size 5-7-9 Shops, Fashion Conspiracy and Oak Tree.

Transfer Agent(s):

Bradford Trust Company
New York, New York 10004

Stock Exchange(s): New York

Ticker Symbol: EBS

Number of Stores: (at fiscal year end)

1979	1,792	1976	1,244
1978	1,620	1975	1,145
1977	1,451		

Sales and Earnings

	Net Sales	Net Income
1979	$793,395,000	$ 44,717,000
1978	739,439,000	45,992,000
1977	624,321,000	36,283,000
1976	532,312,000	28,759,000
1975*	489,594,000	23,667,000

	No. of Com. Shares ≠	Earn. per Share ≠
1979	11,533,000	$3.87
1978	11,622,000	3.95
1977	11,836,000	3.06
1976	11,947,000	2.40
1975*	12,051,000	1.96

* 53 weeks.
≠ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$1.27	—	—
1978	1.00	—	—
1977	0.77	—	3-for-1
1976	0.57	—	—
1975	0.49	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity†	Equity Per Share‡
1979	$215,761,000	$18.81
1978	190,923,000	16.46
1977	160,119,000	13.67
1976	135,115,000	11.35

† After allowing for preferred stock at par value.
‡ Adjusted to reflect stock split.

Income Account

Year ended	12/29/79	12/30/78
Net sales	$793,395,000	$739,439,000
Cost of sales	503,705,000	460,283,000
Expenses	187,090,000	169,520,000
Depreciation & amortization	15,103,000	13,062,000
Interest expense	4,602,000	3,686,000
Other charges (income)	(2,698,000)	579,000
Income before taxes	$ 85,593,000	$ 92,309,000
Income taxes	40,876,000	46,317,000
Net Income	$ 44,717,000	$ 45,992,000

Assets

As of	12/29/79	12/30/78
Cash	$ 21,882,000	$ 18,687,000
Marketable securities	13,531,000	29,938,000
Other assets	10,355,000	10,071,000
*Inventories	156,155,000	135,480,000
Current Assets	$201,923,000	$194,176,000
#Fixed assets	122,285,000	101,357,000
Other assets	11,568,000	12,454,000
Property held under capital leases	25,071,000	25,783,000
Total Assets	$360,847,000	$333,770,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 2,531,000	$ 2,469,000
Accts. payable & accruals	70,256,000	61,473,000
Income taxes	16,787,000	22,453,000
Curr. Liabilities	$ 89,574,000	$ 86,395,000
Long-term debt	13,849,000	15,613,000
Oblig. under capital leases	28,900,000	29,300,000
Deferred inc. taxes & other credits	10,941,000	9,661,000
+ Preferred stock	1,822,000	1,878,000
+ + Common stock	11,473,000	11,597,000
Retained earnings	204,288,000	179,326,000
Total Liabilities & Shareholders' Equity	$360,847,000	$333,770,000

* At lower of cost (principally average) or market.
# Less accumulated depreciation & amortization.
+ $100 par value; 4¼% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.79	12.48
%Net Income to Sales	5.64	6.22
%Net Income to Equity	20.73	24.09
Sales to Inventories	5.08	5.46
Working Capital	$112,349,000	$107,781,000
Current Ratio	2.25	2.25
Shareholders' Equity	$215,761,000	$190,923,000

Edward Hines Lumber Co.

200 South Michigan Avenue
Chicago, Illinois 60604
(312) 294-2000

Officers: Howell H. Howard, president & chief executive officer; Edward Hines, exec. v.p.; Richard D. Denison, sr. v.p & chief financial officer; Paul F. Ehinger, William M. Archibald, sr. v.p.'s; Robert C. Williams, Gordon D. Wilson, Ernest F. Michael, John P. Vetter, Robert W. Haines, Jr., Lawrence P. Kilcran, vice presidents; Farnk A. Rohwedel, treasurer; Raymond F. Brodl, secretary; M.H. Berresford, asst. treasurer; J.W. Ryan, controller; Charles E. Perrin, asst. secretary.

Directors: Edward Hines, Howell H. Howard, Charles B. Mahin, John K. Notz, Jr., John C. Sturgis, John W.Madigan, Russell J. Hogue.

Business Activities: Produces lumber, plywood and millwork in various softwood species. Also produces building components such as roof trusses. Products manufactured are wholesaled nationally, except for building components, and retailed in the Chicago metropolitan area. Also wholesales and retails lumber and related products purchased from other sources.

Transfer Agent(s):

Continental Illinois National Bank
& Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Number of Retail Stores:

1979	26	1978	26

Sales and Earnings

	Net Sales	Net Income
1979	$348,516,326	$ 2,757,140
1978	339,180,663	10,786,123
1977	288,869,865	8,763,911
1976	234,833,929	4,817,069
1975	170,495,259	191,831

	No. of Com. Shares †	Earn. per Share †
1979	1,748,866	$1.58
1978	1,748,866	6.17
1977	1,746,786	5.02
1976	1,745,936	2.76

† Adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$1.00	100%	–
1978	1.50	–	–
1977	1.25	–	–
1976	0.75	–	–
1975	0.75	–	–

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 81,912,715	$46.84
1978	80,904,441	46.26
1977	72,708,545	41.62
1976	66,120,212	37.87
1975	62,453,820	36.01

† Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$348,516,326	$339,180,663
Other inocme	510,628	1,002,941
Total Income	$349,026,954	$340,183,604
Costs of products sold	288,384,145	269,578,641
Expenses	37,708,122	36,035,894
Depreciation and depletion	9,624,923	8,728,647
Taxes	5,838,758	5,296,906
Cash discounts	2,147,757	1,980,280
Interest expense	1,896,109	497,103
Income before taxes	$ 3,427,140	$ 18,066,123
Income taxes	670,000	7,280,000
Net Income	$ 2,757,140	$ 10,786,123

* Included in Costs of Products Sold, Depreciation and Depletion: $9,624,923 in 1979 and $8,728,647 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 3,093,120	$ 4,469,308
Accts. receiv., net	25,199,065	26,486,252
* Inventories	27,927,934	31,094,345
Prepaid expenses and supplies	1,825,922	1,559,641
Current Assets	$ 58,046,041	$ 63,609,546
# Fixed assets	66,737,967	51,455,389
Other assets	7,473,761	6,755,692
Total Assets	$132,257,769	$121,820,627

Liabilities

Notes payable	$ 1,000,000	$ 1,500,000
Accts. payable	14,480,868	16,632,802
Accruals	5,808,807	4,342,654
Accrued payroll	4,076,070	4,284,765
Dividends payable	437,216	437,216
Income taxes	1,370,000	4,665,000
Curr. Liabilities	$ 27,172,961	$ 31,862,437
Long-term debt	20,160,093	7,623,749
Deferred inc. taxes and investment credit	3,012,000	1,430,000
+ Common stock	20,000,000	10,000,000
Add. paid-in capital	8,179,425	18,179,425
Retained earnings	56,865,409	55,857,135
Treasury stock	(3,132,119)	(3,132,119)
Total Liabilities & Shareholders' Equity	$132,257,769	$121,820,627

* At LIFO.
# Less accumulated depreciation.
+ $10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.98	5.33
%Net Invxme to Sales	0.79	3.18
%Net Income to Equity	3.37	13.33
Sales to Inventories	12.48	10.91
Working Capital	$ 30,873,080	$ 31,747,109
Current Ratio	2.14	2.00
Shareholders' EQuity	$ 81,912,715	$ 80,904,441

The Elder-Beerman Stores Corp.

3155 El-Bee Road
Dayton, Ohio 45439
(513) 294-3111

Officers: Max Gutmann, chairman & chief executive officer; Charles M. Waldron, vice chairman, president & chief administrative officer; Richard B. Karp, exec. v.p.-merchandising & sales promotion; Harry A. Jensen, exec. v.p.-finance, secretary & treasurer; Paul E. Lazorski, sr. v.p.-operations; John H. Snyder, sr. v.p. & gen. merch. mgr.; Kenneth R. Epstein, v.p.-personnel; Daviu W. Lovejoy, v.p.-control; Leonard B. Peal, v.p.-cost & leased dept. operations; Donald A. Beal, v.p.-store planning; Dennis E. McCain, v.p.-store manager; Harry Lang, Robert Chaet, Edgar N. Kerr, Michael J. Kelly, Sandra K. Likes, v.p.'s & gen. merchandise mgrs.; Rafael Furst, v.p.; Sue K. Westbrook, v.p.-sales promotion; Guenter C. Kass, v.p.-information services; Raymond Clayman, asst. secretary.

Directors: Max Gutmann*, Richard J. Jacob*, Robert A. Kerr*, Sidney S. Kahn, Charles M. Waldron, Barbara Beerman Weprin*, Leonard B. Peal.

* Member of Executive Committee.

The Elder-Beerman Stores Corp.

Business Activities: Operates department stores serving the Dayton, Ohio metropolitan area, Middletown, Piqua, Hamilton and Lima, Ohio and Richmond, Indiana. These stores operate under the name "Elder-Beerman". Also operates shoe departments, shoe stores (El-Bee Shoe Outlets), and office stationery supply stores (El-Bee Office Outfitters). The Company also operates a credit finance, subsidiary, the El-Bee Chargit Corp.

Subsidiaries:

The Bee-Gee Shoe Corp.
El-Bee Office Outfitters, Inc.
The El-Bee Chargit Corp.
The Dayton Food Fair Stores, Inc. (inactive)
The Dayton Drug Fair Stores, Inc. (inactive)
McCook Wholesale Corp.
E-B Community Urban Redevelopment Corporation

Transfer Agent(s):

Irving Trust Company
New York, New York

The Third National Bank and Trust Company
Dayton, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELDR (NASDAQ)

Number of Stores: (at fiscal year end)

	Dept. Stores	Shoe Stores	Office Outfitters	Furniture Showrooms
1980	20	53	3	3
1979	20	50	3	3
1978	16	45	3	3
1977	15	42	3	3
1976	14	32	3	3

Sales and Earnings

	Net Sales	Net Income
1980*	$195,276,340	$ 2,361,716
1979	178,651,046	4,264,216
1978	145,883,311	3,077,000
1977	126,035,076	2,605,000
1976	106,044,013	2,157,000

	No. of Com. Shares +	Earn. per Share +
1980	2,081,587	$1.13
1979	2,081,587	2.05
1978	2,081,587	1.48
1977	2,081,587	1.25
1976	2,081,587	1.04

* 53 weeks.
+ Based on average number of shares outstanding, adjusted to reflect stock dividends.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.20	5%	—
1979	0.18	10%	—
1978	0.17	10%	—
1977	0.17	10%	—
1976	0.17	6%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 32,515,000	$15.62
1979	30,566,000	14.68
1978	26,686,000	12.82
1977	23,956,000	11.51
1976	21,669,000	10.41

‡ Based on average number of shares outstanding, adjusted to reflect stock dividends.

Income Account*

Year ended	2/3/80 (53 weeks)	1/28/79
Net sales	$195,276,340	$178,651,046
Other income	6,064,666	6,060,320
Total income	$201,341,006	$184,711,366
Cost of sales	134,360,395	121,106,740
Expenses	39,747,439	35,189,280
Sales, salaries & comm.	15,724,344	15,118,994
Prov. for doubtful accts.	1,442,377	927,671
Interest expense	6,334,735	4,844,465
Income before taxes	$ 3,731,716	$ 7,524,216
Income taxes	1,370,000	3,260,000
Net Income	$ 2,361,716	$ 4,264,216

* Included in Costs and Expenses, Depreciation and Amortization: $2,838,110 in 1980 and $2,698,596 in 1979.

Assets

As of	2/3/80	1/28/79
Cash	$ 3,381,960	$ 4,208,727
Accts. receiv., net	44,815,837	45,540,434
*Inventories	30,723,784	31,833,409
Prepaid expenses	791,356	692,756
Current Assets	$ 79,712,937	$ 82,275,326
≠Fixed assets	15,700,898	15,298,789
Assets recorded under cap. leases	16,193,584	16,413,357
Other assets	892,091	864,244
Total Assets	$112,499,510	$114,851,716

Liabilities

Notes payable	$ 25,302,559	$ 26,802,559
Long-term debt, curr.	1,439,178	1,557,166
Accts. payable	10,885,138	12,206,060
Unredeemed liabilities	1,396,856	1,919,066
Accruals	1,497,865	1,370,408
Interest payable	268,787	451,429
Accrued payroll	2,434,943	2,703,835
Income taxes	6,935,255	7,042,851
Other taxes	1,467,018	1,431,465
Curr. Liabilities	$ 51,627,599	$ 55,484,839
Long-term debt	28,356,833	28,800,838
+Common stock	2,132,693	2,031,842
Add. paid-in capital	9,354,145	8,610,369
Retained earnings	21,325,760	20,221,348
Treasury stock	(297,520)	(297,520)
Total Liabilities & Shareholders' Equity	$112,499,510	$114,851,716

* At lower of cost or market.
≠ Less accumulated depreciation.
+ $1 stated value.

Statistical Summary

%Income bef. Taxes to Sales	1.91	4.21
%Net Income to Sales	1.21	2.39
%Net Income to Equity	7.26	13.95
Sales to Inventories	6.36	5.61
Working Capital	$ 28,085,338	$ 26,790,487
Current Ratio	1.54	1.48
Shareholders' Equity	$ 32,515,078	$ 30,566,000

Ellman's Inc.

2740 Cobb Parkway
Smyrna, Georgia 30080
(404) 435-2141

Officers: Robert Weinstein, president & treasurer; Al Katz, exec. v.p.; Harold S. Ellman, sr. v.p.; Jack Hirsh, sr. v.p.-general merchandising; Harley Ross, sr. v.p.-jewelry merchandising & sales; Michael J. Baumann, chief financial officer; Stephen F. Weinstein, v.p.-operations; Jaap Groen, v.p.-adv. and public relations; Marjorie E. Weinstein, secretary; Robert S. Ginsburg, Maurice J. Kemp, John O'Hare, asst. v.p.'s; Fred Ellman, asst. secretary.

Directors: Louis Carrol, Harold S. Ellman, Elliot Goldstein, Marjorie E. Weinstein, Robert Weinstein, D. Raymond Riddle, Frank E. Kutcher, Jr., Al Katz.

Business Activities: Operates five catalog-showrooms in the greater Atlanta area and one in Greensboro and Charlotte, North Carolina, respectively.

Transfer Agent(s):

The First National Bank of Atlanta
Atlanta, Georgia

Stock Exchange(s) Over-the-Counter

Ticker Symbol: ELLM (NASDAQ)

Number of Stores: (at fiscal year end)

1980	6
1979	6
1978	5
1977	4
1976	3

Sales and Earnings

	Net Sales	Net Income
1980*	$ 56,432,000	$ 1,326,000
1979	50,750,757	1,338,828
1978	41,043,037	1,145,930
1977	32,930,407	1,023,043
1976	28,643,639	1,108,950

	No. of Com. Shares	Earn. per Share ‡
1980	1,171,900	$1.13
1979	1,171,900	1.14
1978	1,171,900	0.98
1977	1,171,900	0.88
1976	1,171,900	0.95

* 53 weeks.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,006,000	$11.95
1979	12,680,000	10.82
1978	11,341,000	9.68

Income Account

Year ended	5/3/80 (53 weeks)	4/28/79
Net sales	$ 56,432,000	$ 50,751,000
Cost of sales	40,402,000	36,332,000
Expenses	12,523,000	10,800,000
Depreciation	562,000	489,000
Other expense	483,000	721,000
Income before taxes	$ 2,462,000	$ 2,409,000
Income taxes	1,136,000	1,070,000
Net Income	$ 1,326,000	$ 1,339,000

Assets

As of	5/3/80	4/28/79
Cash	$ 696,000	$ 227,000
Accts. receiv., net	149,000	171,000
*Inventories	14,300,000	14,909,000
Prepaid expenses	106,000	131,000
Current Assets	$ 15,251,000	$ 15,438,000
≠Fixed assets	11,238,000	9,976,000
Other assets	96,000	754,000
Total Assets	$ 26,585,000	$26,168,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 337,000	$ 332,000
Accts. payable	2,898,000	3,464,000
Accruals	1,095,000	1,100,000
Customer deposits	465,000	318,000
Income taxes	88,000	202,000
Curr. Liabilities	$ 4,883,000	$ 5,416,000
Long-term debt	4,391,000	4,610,000
Cap. lease oblig.	2,963,000	3,081,000
Def. income taxes	342,000	381,000
+Common stock	1,180,000	1,180,000
Add. paid-in capital	2,052,000	2,052,000
Retained earnings	10,790,000	9,464,000
Treasury stock	(16,000)	(16,000)
Total Liabilities & Shareholders' Equity	$ 26,585,000	$ 26,168,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.36	4.75
%Net Income to Sales	2.35	2.64
%Net Income to Equity	9.47	10.56
Sales to Inventories	3.95	3.40
Working Capital	$ 10,368,000	$ 10,022,000
Current Ratio	3.12	2.85
Shareholders' Equity	$ 14,006,000	$ 12,680,000

Empire Apparel Stores, Inc.

269 Fulton Avenue
Hempstead, New York 11550
(516) 483-8700

Officers: David Edwards, president; Theodore Preiss, secretary; Leonard Nacht, vice president; Harold Feuerstein, treasurer & controller.

Directors: David Edwards, Theodore Preiss, Murray Rosen, Sandra Edwards, Leonard Nacht.

Business Activities: Operates a chain of clothing stores in New York, Florida and New Jersey.

Transfer Agent(s):

Registrar and Transfer Company
34 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	14	1977	13
1979	14	1976	13
1978	14		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 7,523,455	$ 100,484
1979	7,066,177	53,202
1978	5,951,687	49,998
1977	5,459,962	72,185
1976	4,712,715	26,693

	No. of Com. Shares	Earn. per Share ‡ +
1980	361,820	$0.28
1979	361,820	0.15
1978	361,820	0.14
1977	361,820	0.20
1976	361,820	0.07

+ Including extraordinary gains of $6,223 ($0.02 per share) in 1977 and $7,020 ($0.02 per share) in 1976.
‡ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 793,592	$2.19
1979	693,108	1.92
1978	639,906	1.77
1977	589,908	1.63
1976	517,723	1.43

Income Account *

Year ended Feb. 28	1980	1979
Net sales	$ 7,523,455	$ 7,066,177
Cost of sales	5,031,567	4,736,113
Expenses	2,336,916	2,213,244
Interest expense	59,909	64,179
Other income	(36,440)	(19,000)
Income before taxes	$ 131,503	$ 71,641
Income taxes	31,019	18,439
Net Income	$ 100,484	$ 53,202

* Included in Costs and Expenses, Depreciation: $51,927 in 1980 and $43,094 in 1979.

Assets

As of Feb. 28	1980	1979
Cash	$ 368,817	$ 440,657
Accts. receiv., net	304,830	329,808
*Inventories	1,265,999	1,183,697
Prepaid expenses	54,576	35,486
Current Assets	$ 1,994,222	$ 1,989,648
#Fixed assets	62,304	77,908
Other assets	115,037	15,127
Defer. charges	6,759	21,924
Total Assets	$ 2,178,322	$ 2,104,607

Liabilities

Notes payable	$ 133,960	$ 80,424
Long-term debt, curr.	30,322	7,933
Accts. payable	727,442	689,451
Accruals	185,198	209,144
Curr. Liabilities	$ 1,076,922	$ 986,952
Long-term debt	307,808	424,547
+Common stock	18,091	18,091
Add. paid-in capital	566,521	566,521
Retained earnings	208,980	108,496
Total Liabilities & Shareholders' Equity	$ 2,178,322	$ 2,104,607

* At lower of cost or market, by the retail method.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.75	1.01
%Net Income to Sales	1.34	0.75
%Net Income to Equity	12.66	7.68
Sales to Inventories	5.94	5.97
Working Capital	$ 917,300	$ 1,002,696
Current Ratio	1.85	2.02
Shareholders' Equity	$ 793,592	$ 693,108

Empire-Crown Auto, Inc.

P.O. Box 1217
Minneapolis, Minnesota 55440
(612) 937-9000

Officers: Joe H. Adelman, president; Floyd R. Adelman, vice president-marketing; Arvin D. Adelman, v.p.-operations & real estate; Richard K. Roderick, v.p.-finance & treasurer; Israel E. Krawetz, secretary.

Directors: Joe H. Adelman, Amos Heilicher, Austin Chapman, Jerome B. Simon, David B. Bishoff, Harry J. Jensen, Jr., Lloyd D. Berkus, Phillip J. Bifulk.

Business Activities: Operates a chain of retail automotive departments and stores, most with installation and service facilities. The stores operate under the name Crown Auto. Stores and leased departments are located primarily in Minnesota, with others in Wisconsin.

Subsidiaries:

Crown Auto Stores, Inc.
Eden Prairie, Minnesota
Operates retail automotive stores, service centers and leased departments.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EMPC (NASDAQ)

Number of Retail Units: (at fiscal year end)

1979	52	1976	48
1978	50	1975	52
1977	48		

Sales and Earnings

	Net Sales +	Net Income
1979	$ 25,374,383	$ 406,392
1978	23,670,918	316,764
1977	23,154,899	(273,845)
1976	20,174,637	(10,496)
1975	5,707,468	318,770

	No. of Com. Shares #	Earn. per Share #
1979	946,097	$0.43
1978	1,054,178	0.30
1977	1,146,891	—
1976	1,146,891	—
1975	883,009	0.36

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	40%	—

Common Stock Equity

	Total Equity	Equity Per Share†
1979	$ 3,022,890	$3.20
1978	2,616,498	2.48
1977	3,052,668	2.66

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account

Year ended	12/29/79	12/30/78
Net sales	$ 25,374,383	$ 23,670,918
Cost of sales	13,779,158	13,111,994
Expenses	9,833,652	9,052,677
Depreciation & amortization	485,847	436,049
Interest expense	524,054	465,162
Other income	(44,222)	(28,228)
Income before taxes	$ 795,894	$ 633,264
Income taxes	395,000	286,500
Income from cont. operations	$ 400,894	$ 346,764

Empire-Crown Auto, Inc.

Income (loss) from discont. operations	5,498	(30,000)
Net Income	$ 406,392	$ 316,764

Assets

As of	12/29/79	12/30/78
Cash	$ 189,447	$ 141,048
Receiv., net	592,380	326,436
*Inventories	4,705,232	4,511,113
Prepaid expenses	45,856	55,904
Current Assets	$ 5,532,915	$ 5,034,501
#Fixed assets	3,926,687	4,181,239
Other assets	822,634	783,149
Total Assets	$ 10,282,236	$ 9,998,889

Liabilities

Notes payable	$ 850,000	$ 1,462,000
Long-term debt, curr. & cap. lease oblig.	343,956	386,713
Accts. payable	1,626,960	1,008,248
Accruals	683,172	563,545
Income taxes	211,425	123,105
Curr. Liabilities	$ 3,715,513	$ 3,543,611
Long-term debt	144,165	289,694
Deferred compensation	58,200	29,100
Cap. lease oblig.	3,341,468	3,519,986
+Common stock	206,052	206,052
Add. paid-in capital	1,674,859	1,674,859
Retained earnings	1,912,825	1,506,433
Treasury stock	(770,846)	(770,846)
Total Liabilities & Shareholders' Equity	$ 10,282,236	$ 9,998,889

* At lower of cost (FIFO) or market.
# Less accumulated depreiciaton and amortization.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	13.44	12.11
Sales to Inventories	5.39	5.25
Working Capital	$ 1,817,402	$ 1,490,890
Current Ratio	1.49	1.42
Shareholders' Equity	$ 3,022,890	$ 2,616,498

Evans, Inc.

36 South State Street
Chicago, Illinois 60603
(312) 855-2000

Officers: David B. Meltzer, chairman and president; Samuel R. Field, senior vice president & general fur merchandise mgr.; Harold Sussman, executive vice president; Robert E. Friedman, executive v.p. & managing director-apparel; Herbert S. Grant, v.p.-finance & treasurer; Max Beck, v.p. & sales promotion mgr.; Walter Warren, v.p.-fur merchandising; Ralph Romberg, v.p.-fur operations; Irving Karm, v.p.-natl. operations & asst. secretary; Robert R. Meltzer, v.p.-leased fur dept. division; Thomas M. Holliday, v.p.-marketing; Samuel B. Garber, secretary & general counsel.

Directors: D. B. Meltzer, chairman; Miles L. Berger, Harold Sussman, Samuel R. Field, Burton L. Gordon.

Business Activities: Owns and operates 15 fur/women's apparel stores, 7 under the Evans name in the Chicago metropolitan area, a Koslow's store in Fort Worth and one in Dallas, Texas, a Blum's Vogue fur store in Chicago and 3 Evans/Rosendorf stores in the Washington, D.C. metropolitan area. In addition, Evans leases fur salons in 90 locations for 21 major department stores.

Subsidiary:

Evans Fur Co. of New York
333 Seventh Avenue
New York, New York 10001

Transfer Agent(s):

American National Bank and Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EVAN (NASDAQ)

Number of Stores: (at fiscal year end)

1980	15	1977	11
1979	12	1976	11
1978	12		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 78,866,000	$ 2,345,000
1979*	74,880,000	2,044,000
1978	65,523,000	1,997,000
1977	55,759,000	1,590,000
1976	49,588,000	1,498,000

	No. of Com. Shares #	Earn. per Share #
1980	467,766	$5.01
1979	469,227	4.36
1978	482,588	4.14
1977	498,324	3.19
1976	545,606	2.75

* 53 weeks.
‡ Includes service and other revenues.
# Based on weighted average number of shares outstanding.

Revenues by Line of Business

	1980	1979	1978	1977
Fur apparel				
Owned stores	41%	41%	37%	33%
Leased departments	34	33	34	32
Other apparel & accessories	25	26	29	35
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	–	–
1979	0.30	–	–
1978	0.30	–	–
1977	0.30	–	–
1976	0.30	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 19,546,000	$41.66
1979	17,321,000	37.21
1978	15,639,000	32.52
1977	13,883,000	28.59
1976	12,818,000	23.49

Income Account*
(000's)

Year ended	3/1/80	3/3/79 (53 weeks)
Net sales	$ 71,454	$ 67,986
Other income	7,412	6,894
Total income	$ 78,866	$ 74,880
Cost of sales	48,768	47,768
Expenses	23,669	21,922
Interest expense	2,514	1,796
Other income	(565)	(452)
Income before taxes	$ 4,480	$ 3,846
Income taxes	2,135	1,802
Net Income	$ 2,345	$ 2,044

* Included in Costs and Expenses, Depreciation and Amortization: $857,000 in 1980 and $858,000 in 1979.

Assets
(000's)

As of	3/1/80	3/3/79
Cash	$ 2,123	$ 592
Receiv., net	22,888	21,205
*Inventories	15,418	12,564
Prepaid expenses	279	224
Current Assets	$ 40,708	$ 34,585
#Fixed assets	4,817	4,091
Other assets	1,333	901
Total Assets	$ 46,858	$ 39,577

Liabilities
(000's)

Notes payable	$ 3,500	$ –
Long-term debt: curr.	963	831
Accts. payable	3,625	2,884
Accruals	4,425	3,888
Dividends payable	70	70
Income taxes	3,699	3,572
Curr. Liabilities	$ 16,282	$ 11,245
Long-term debt	9,552	9,970
Deferred compensation	1,478	1,041
+Common stock	604	604
Add. paid-in capital	1,524	1,524
Retained earnings	18,753	16,415
Treasury stock	(1,155)	(1,222)
Total Liabilities & Shareholders' Equity	$ 46,858	$ 39,577

* At lower of cost (invoice amount for furs & retail method) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.27	5.66
%Net Income to Sales	3.28	3.01
%Net Income to Equity	12.00	11.80
Sales to Inventories	4.63	5.41
Working Capital	$ 24,426,000	$ 23,340,000
Current Ratio	2.50	3.08
Shareholders' Equity	$ 19,546,000	$ 17,321,000

Fabric Wholesalers, Inc.

P.O. Box 20235
2035 N.E. 181st Avenue
Portland, Oregon 97230
(503) 666-4511

Officers: Tony J. Bosboom, president & chief executive officer; William E. Mahar, vice president & asst. secretary; Dirk J. Kooning, treasurer & secretary.

Directors: Tony J. Bosboom, Dirk J. Kooning, William E. Mahar.

Business Activities: Wholesalers and retailers of domestic and imported fabrics, sewing notions and trimmings. Operates stores in Oregon, Washington, Idaho and California.

Transfer Agent(s):

First National Bank of Oregon
Portland, Oregon

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FBRC (NASDAQ)

Number of Stores: (at fiscal year end)

1979	33	1976	26
1978	32	1975	25
1977	29		

Sales and Earnings

	Net Sales	Net Income
1979	$ 12,359,127	$ 224,125
1978	10,209,263	283,195
1977	8,606,010	352,877
1976	7,955,843	367,202
1975	7,490,378	373,514

	No. of Com. Shares ‡	Earn. per Share ‡
1979	588,966	$0.38
1978	601,250	0.47
1977	603,931	0.58
1976	604,328	0.61
1975	604,628	0.62

‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.10	—	—
1978	0.10	—	—
1977	0.125	—	—
1976	0.125	—	—
1975	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 4,022,183	$6.83
1978	3,901,329	6.49
1977	3,699,145	6.13
1976	3,423,196	5.66
1975	3,131,536	5.18

‡ Based on the weighted average number of shares outstanding.

Income Account

Year ended Dec. 31	1979	1978
Net sales	$ 12,359,127	$ 10,209,263
Cost of sales	8,582,540	6,637,938
Expenses	3,149,676	2,841,394
Depreciation & amortization	203,094	209,297
Interest expense	101,870	107,025
Other income	(60,178)	(50,586)
Income before taxes	$ 382,125	$ 464,195
Income taxes	158,000	181,000
Net Income	$ 224,125	$ 283,195

Assets

As of Dec. 31	1979	1978
Cash	$ 127,671	$ 84,780
Receiv., net	55,929	24,124
Refund. inc. taxes	—	13,048
*Inventories	4,647,920	4,571,499
Prepaid expenses	10,986	47,621
Current Assets	$ 4,842,506	$ 4,741,072
# Fixed assets	1,916,214	2,077,940
Other assets	49,805	49,555
Total Assets	$ 6,808,525	$ 6,868,567

Liabilities

Notes paid to bank	$ 284,080	$ 156,636
Mortgages payable	114,000	140,000
Accts. payable	1,514,790	1,769,483
Accruals	187,630	196,212
Income taxes	39,771	—
Curr. Liabilities	$ 2,140,271	$ 2,262,331
Other payables	165,761	112,843
Mortg. payable	369,545	466,667
Deferred inc. taxes	110,765	125,397
+ Common stock	2,300,506	2,300,506
Retained earnings	1,810,502	1,645,440
Treasury stock	(88,825)	(44,617)
Total Liabilities & Shareholders' Equity	$ 6,808,525	$ 6,868,567

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.09	4.55
%Net Income to Sales	1.81	2.77
%Net Income to Equity	5.57	7.26
Sales to Inventories	2.66	2.23
Working Capital	$ 2,702,235	$ 2,478,741
Current Ratio	2.26	2.10
Shareholders' Equity	$ 4,022,183	$ 3,901,329

Fabri-Centers of America, Inc.

23550 Commerce Park Road
Cleveland, Ohio 44122
(216) 464-2500

Officers: Martin Rosskamm, president; Betty Rosskamm, secretary & treasurer; Justin Zimmerman, sr. v.p.; Brian Burton, exec. v.p.; Hilda Reich, Alma Zimmerman, Barry J. Sands, Michael Feuer, Travis Ballew, John Stec, vice presidents.

Directors: Sidney Dworkin, Hilda Reich, Betty Rosskamm, Joseph H. Thomas, Alma Zimmerman, Justin Zimmerman, Brian Burton, Martin Rosskamm, Samuel J. Krasney.

Business Activities: Operates a chain of retail fabric stores under the name Jo-Ann Fabrics in 26 states and House of Fine Fabrics in the greater Washington, D.C. area. Company outlets sell a wide variety of fashion and decorator fabrics, sewing notions, patterns and related accessories.

Acquisition(s):

House of Fine Fabrics
A ten store fabric chain located in the Washington, D.C. marketing area.

Transfer Agent(s):

AmeriTrust of Cleveland
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: FCA

Number of Stores:* (at fiscal year end)

1980	490	1977	404
1979	450	1976	348
1978	443		

Sales and Earnings

	Net Sales	Net Income
1980	$130,842,136	$ 3,344,704
1979*	120,863,191	3,962,343
1978	104,164,277	2,458,285
1977	96,031,931	3,948,074
1976	75,523,360	3,502,975

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,029,835	$1.10
1979	3,099,659	1.28
1978	3,074,931	0.80
1977	2,992,271	1.32
1976	2,673,310	1.31

* 53 weeks.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.26	—	—
1979	0.21	—	—
1978	0.20	—	—
1977	0.12	—	—
1976	0.06	—	3-for-2

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 34,169,137	$11.28
1979	32,598,974	10.52
1978	29,135,107	9.48
1977	27,283,581	9.12
1976	20,074,178	7.51

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$130,842,136	$120,863,191
Cost of sales	65,118,697	60,201,573
Expenses	57,987,878	51,896,375
Interest expense	1,567,557	1,212,800
Income before taxes	$ 6,168,004	$ 7,552,443
Income taxes	2,823,300	3,590,100
Net Income	$ 3,344,704	$ 3,962,343

* Included in Costs and Expenses, Depreciation and Amortization: $1,886,558 in 1980 and $1,671,208 in 1979.

Assets

As of	2/2/80	2/3/79
Cash	$ 521,860	$ 457,264
Receiv., net	2,752,545	2,304,225
* Inventories	46,891,611	44,219,736
Prepaid expenses	1,728,732	1,658,281
Current Assets	$ 51,894,748	$ 48,639,506
# Fixed assets	15,956,263	14,446,394
Other assets	379,443	393,046
Total Assets	$ 68,230,454	$ 63,478,946

Liabilities

Long-term debt & cap. lease oblig. curr.	$ 1,029,009	$ 1,125,475
Bank loan	5,000,000	—
Accts. payable	11,148,221	11,857,646
Accruals	1,788,850	1,741,404
Income taxes	618,905	1,561,207
Curr. Liabilities	$ 19,584,985	$ 16,285,732
Long-term debt	11,197,724	11,417,274
Cap. lease oblig.	2,310,008	2,343,766
Deferred inc. taxes	968,600	833,200
+ Common stock	295,138	311,791
Add. paid-in capital	7,392,788	7,805,052
Retained earnings	26,481,211	24,482,131
Total Liabilities & Shareholders' Equity	$ 68,230,454	$ 63,478,946

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value; $0.10 stated value.

Statistical Summary

%Income bef. Taxes to Sales	4.71	6.25
%Net Income to Sales	2.56	3.28
%Net Income to Equity	9.79	12.15
Sales to Inventories	2.79	2.73
Working Capital	$ 32,309,763	$ 32,353,774
Current Ratio	2.65	2.99
Shareholders' Equity	$ 34,169,137	$ 32,598,974

Fairmont Foods Company

333 West Loop North
P.O. Box 19683
Houston, Texas 77024
(713) 683-8383

Officers: E. W. Kelley, president & chief exec. officer; James Williamson, Jr., Walter Scott, Jr., exec. v.p.'s; James P. Nault, group v.p.-Snack Foods; William G. Wald, v.p., secretary & general counsel; C. James Clemens, controller; J.E. Richmond, treasurer; L.C. Grulke, asst. v.p.-personnel; C.H. Staff, asst. v.p.-research & operations services, manufactured products group; S. Sue Aramian, asst. v.p.-special projects.

Directors: David Adler*, C. Pharr Duson, William T. Flemming, Jr.*, E. Laurence Gay*, Harry Holmes, Jr., Jacob O. Kamm, E.W. Kelley*, Carl H. Lindner*, John J. Ryan III, Stuart C. Sherwood, S.W. McIntire.

* Member of Executive Committee.

Business Activities: Operates a chain of self-service U-Tote-M Convenience Food Stores in 12 states, primarily across the Southern half of the United States from Florida to California; also processes and distributes a line of milk, cream, cottage cheese and other dairy products; manufactures snack foods and pizza products.

Groups & Divisions:

U-Tote-M Convenience Stores Group
5200 West Loop South
Houston, Texas 77027

Dairy Group
1111 East Touhy Ave.
Des Plaines, Illinois 60018

Eastern Dairy Division
Wilford Building
33rd & Arch Streets
Philadelphia, Pennsylvania 19104

North Central Dairy Division
3601 Park Center Boulevard
Minneapolis, Minnesota 55416

Kansas City Division
3805 Van Brunt Street
Kansas City, Missouri 64141

Omaha Division
3201 Farnam Street
Omaha, Nebraska 68131

Snack Foods Group
111 East Touhy Ave.
Des Plaines, Illinois 60018

Cookie/Cracker Division
P.O. Box 2536
Raleigh, North Carolina 27602

Meat Snack Division
1111 East Touhy Avenue
Des Plaines, Illinois 60018

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

First City National Bank of Houston
1001 Main
Houston, Texas 77002

Stock Exchange(s): New York, Pacific

Ticker Symbol: FMF

Number of Stores: (at fiscal year end)

1980	927	1977	965
1979	934	1976	998
1978	928		

Sales and Earnings

	Net Sales	Net Income
1980	$547,984,449	$ 6,652,669
1979	561,691,100	3,953,969
1978	512,583,336	3,334,308
1977	495,706,377	5,659,432
1976	479,313,337	7,023,584

	No. of Com. Shares	Earn. per Share #
1980	4,524,904	$1.45
1979	4,413,445	0.85
1978	4,421,955	0.71
1977	4,021,009	1.26
1976	3,987,703	1.60

Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1980 (000's)	%	1979 (000's)	%
Dairy group	$233,142	43%	$235,682	42%
Snack foods group	34,546	6	78,184	14
U-Tote-M Conv. Stores group	280,296	51	247,825	44
Total	$547,984	100%	$561,691	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.76	—	—
1979	0.76	—	—
1978	0.76	—	—
1977	0.68	—	—
1976	0.66	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 70,995,441	$15.69
1979	66,511,561	15.07
1978	66,249,117	14.98

‡ After allowing for preferred stock at aggregate liquidating value.

Income Account*

Year ended Feb. 28	1980	1979
Net sales	$547,984,449	$561,691,100
Cost of sales	406,291,052	424,952,627
Expenses	125,069,785	127,186,755
Interest expense	4,587,410	5,065,570
Other income	(870,000)	(1,329,134)
Income before taxes	$ 12,906,202	$ 5,815,282
Income taxes	6,253,533	1,861,313
Net Income	$ 6,652,669	$ 3,953,969

* Included in Costs and Expenses, Depreciation and Amortization: $9,849,401 in 1980 and $9,680,595 in 1979.

Assets

As of Feb. 28	1980	1979
Cash & Short-term invest.	$ 17,294,309	$ 2,610,428
Receiv., net	22,240,720	23,068,818
*Inventories	29,533,906	29,186,821
Prepaid expenses	1,930,740	2,402,384
Assets of DOB ivision	—	7,366,082
Current Assets	$ 70,999,675	$ 64,634,533
#Fixed assets	91,830,612	89,869,632
Notes receiv. & other assets	8,582,055	7,061,979
Total Assets	$171,412,342	$161,566,144

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 2,838,920	$ 3,183,773
Accts. payable	27,265,988	25,047,692
Accruals	14,856,964	11,594,986
Dividends payable	906,923	885,746
Income taxes	4,117,684	1,039,848
Curr. Liabilities	$ 49,986,479	$ 41,752,045
Long-term debt & cap. lease oblig.	29,774,208	31,113,188
9% Subord. conv. debentures	13,702,000	15,000,000
Other Liabilities	1,139,744	1,508,245
Deferred inc. taxes	2,039,150	1,905,785
+ Preferred stock	188,766	188,766
+ + Common stock	2,302,342	2,258,763
Add. paid-in capital	24,494,360	23,398,657
Retained earnings	48,726,810	45,653,001
Treasury stock	(941,517)	(1,212,306)
Total Liabilities & Shareholders' Equity	$171,412,342	$161,566,144

* At lower of cost (FIFO & retail method) or market.
# Less accumulated depreciation.
+ $1 par value; $1 cumulative.
+ + $0.50 par value.

Statistical Summary

%Income before Taxes to Sales	2.36	1.04
%Net Income to Sales	1.21	0.70
%Net Income to Equity	8.90	5.63
Sales to Inventories	18.55	19.24
Working Capital	$ 21,013,196	$ 22,882,488
Current Ratio	1.42	1.55
Shareholders' Equity	$ 74,770,761	$ 70,286,881

Family Dollar Stores, Inc.

P.O. Box 25800
10401 Old Monroe Road
Charlotte, North Carolina 28212
(704) 847-6961

Officers: Leon Levine, chairman of the board & treasurer; Lewis E. Levine, president; Jewell M. Garrison, sr. v.p.-administration & control; Carl A. Bellini, sr. v.p.-operations & distribution; Donald J. Rhine, sr. v.p.-merchandising, advertising & sales promotion; Jack W. Bonds, Jr., v.p.-general merchandise manager; Gerald A. Frucht, v.p.-management info. services; James A. Seagraves, v.p.-store operations; George R. Mahoney, Jr., v.p.-general counsel & secretary; James B. Murphy, v.p.-distribution; Melvyn W. Labovitz, v.p.-personnel; Stephen G. Simms, v.p.-real estate; Chauncey D. Wood, Jr., v.p.-advertising & sales promotion; Donald D. Jensen, controller; Daylon W. Powell, asst. treasurer; Janice B. Burris, asst. secretary.

Directors: Leon Levine, Thomas Payne, Lewis E. Levine.

Business Activities: Operates a chain of discount department stores located in North Carolina, South Carolina, Florida, Georgia, Virginia, Tennessee, Alabama and West Virginia.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York 10015

North Carolina National Bank
Charlotte, North Carolina 28255

Stock Exchange(s): New York

Ticker Symbol: FDO

Number of Stores: (at fiscal year end)

1979	380	1976	233
1978	304	1975	210
1977	267		

Sales and Earnings

	Net Sales	Net Income
1979	$151,834,382	$ 7,737,303
1978	117,521,340	6,151,345
1977	90,585,883	4,689,229
1976	71,708,733	3,832,820
1975	53,187,607	1,343,950

	No. of Com. Shares	Earn. per Share ‡
1979	4,031,125	$1.92
1978	4,006,370	1.54
1977	3,975,130	1.18
1976	3,954,730	0.97
1975	3,967,330	0.34

‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.36	—	—
1978	0.28	—	—
1977	0.20	—	—
1976	0.12	—	—
1975	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 31,535,310	$7.82
1978	25,108,847	6.27
1977	19,905,420	5.01
1976	15,949,308	4.03
1975	12,628,289	3.18

Income Account *

Year ended Aug. 31	1979	1978
Net sales	$151,834,382	$117,521,340
Other income	1,401,218	1,167,258
Total income	$153,235,600	$118,688,598
Cost of sales	97,826,658	75,635,217
Expenses	40,716,087	31,047,766
Interest expense	14,503	4,606
Income before taxes	$ 14,678,352	$ 12,001,009
Income taxes	6,941,049	5,849,664
Net Income	$ 7,737,303	$ 6,151,345

* Included in Costs and Expenses. Depreciation: $1,417,032 in 1979 and $1,045,290 in 1978.

Assets

As of Aug. 31	1979	1978
Cash	$ 2,243,601	$ 1,364,999
Invest. & comm. paper	—	2,303,471
* Inventories	39,447,956	28,831,528
Prepayments	873,591	550,166
Current Assets	$ 42,565,148	$ 33,050,164
# Fixed assets	20,986,786	12,615,717
Other assets	91,074	46,718
Total Assets	$ 63,643,008	$ 45,712,599

Liabilities

Notes payable	$ 941,693	$ —
Accts. payable	26,343,149	16,674,491
Accruals	3,028,575	2,122,601
Income taxes	1,411,418	1,552,177
Curr. Liabilities	$ 31,724,835	$ 20,349,269
Deferred inc. taxes	382,863	254,483
+Common stock	408,968	406,492
Add. paid-in capital	426,037	290,473
Retained earnings	30,979,810	24,691,387
Treasury stock	(279,505)	(279,505)
Total Liabilities & Shareholders' Equity	$ 63,643,008	$ 45,712,599

* At lower of cost or market, determined by retail prices.
# Less accumulated depreciation.
+$0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.67	10.21
%Net Income to Sales	5.10	5.23
%Net Income to Equity	24.54	24.50
Sales to Inventories	3.85	4.08
Working Capital	$ 10,840,313	$ 12,700,895
Current Ratio	1.34	1.62
Shareholders' Equity	$ 31,535,310	$ 25,108,847

Fanny Farmer Candy Shops, Inc.

4 Preston Court
Bedford, Massachusetts 01730
(617) 275-1300

Officers: F. C. Dumaine, chairman of the board; Gordon I. Shemilt, president & chief exec. officer; Peter S. Kurzina, exec. v.p.; Andrew R. Toorock, v.p.-sales; Ronald J. Breau, v.p.-manufacturing & distribution; William V. Conlon, v.p.-real estate; George L. Kelley, v.p.-administration; Anthony V. Barba, v.p.-finance, treasurer & asst. secretary; Alexander B. Slater, secretary; Eugene K. Zawatski, asst. treasurer & asst. secretary.

Directors: Frank W. Benson*, F. C. Dumaine*, J. Frank Gerrity II*, Alexander B. Slater*, Arthur O. Wellman, Thomas W. Clark, Joseph B. Ely, II *.

* Members of the Executive Committee.

Business Activities: Operates a chain of company-owned candy shops in 23 states; manufactures candy.

Subsidiary:

Fannie Farmer Cookbook Corporation
Bedford, Massachusetts

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02109

Stock Exchange(s): American

Ticker Symbol: FFY

Number of Stores: (at fiscal year end)

1979	370	1976	350
1978	380	1975	346
1977	346		

Sales and Earnings

	Net Sales	Net Income
1979	$ 43,797,970	$ 515,834
1978	39,208,569	480,344
1977	34,055,044	587,078
1976	30,152,257	696,959
1975	28,712,942	176,365

	No. of Com. Shares	Earn. per Share #
1979	472,761	$1.10
1978	457,087	1.02
1977	452,307	1.26
1976	451,532	1.54
1975	451,532	0.39

Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	—	—
1978	0.50	—	—
1977	0.50	—	—
1976	—	—	—
1975	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 10,710,088	$22.65
1978	10,352,467	22.65
1977	9,925,097	21.94
1976	9,708,893	21.50
1975	9,011,934	19.96

Income Account

Year ended	9/1/79	9/2/78
Net sales	$ 43,797,970	$ 39,208,569
Cost of sales	23,086,059	20,769,429
Expenses	18,810,213	16,676,339
Depreciation & amortization	1,015,336	867,186
Oper. profit	$ 886,362	$ 895,615
Other income	72,404	33,318
Total	$ 958,766	$ 928,933
Interest expense	153,126	113,585
Other charges	16,906	93,804
Income before taxes	$ 788,734	$ 721,544
Income taxes	272,900	241,200
Net Income	$ 515,834	$ 480,344

Assets

As of	9/1/79	9/2/78
Cash	$ 536,411	$ 990,317
Short-term invest.	750,000	—
Accts. receiv., net	532,263	471,406
Inc. tax refunds		245,600
*Inventories	4,656,914	4,842,792
Prepaid expenses	538,689	479,543
Current Assets	$ 7,014,277	$ 7,029,658
#Fixed assets	8,152,523	7,777,578
Other assets	85,808	60,003
Total Assets	$ 15,252,608	$ 14,867,239

Liabilities

Notes payable	$ —	$ 2,000,000
Accts. payable	2,819,634	1,073,487
Accruals	844,910	751,107
Accrued payroll	313,899	251,178
Income taxes	86,977	—
Curr. Liabilities	$ 4,065,420	$ 4,075,772
Deferred inc. taxes	477,100	439,000
+Common stock	549,621	549,621
Add. paid-in capital	419,932	419,135
Retained earnings	11,251,069	11,202,239
Treasury stock	(1,510,534)	(1,818,528)
Total Liabilities & Shareholders' Equity	$ 15,252,608	$ 14,867,239

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.80	1.84
%Net Income to Sales	1.18	1.23
%Net Income to Equity	4.82	4.64
Sales to Inventories	9.40	8.10
Working Capital	$ 2,948,857	$ 2,953,886
Current Ratio	1.73	1.72
Shareholders' Equity	$ 10,710,088	$ 10,352,467

Fay's Drug Company, Inc.

7245 Henry Clay Boulevard
Liverpool, New York 13088
(315) 457-5970

Officers: Henry A. Panasci, Jr., chairman of the board & chief executive officer; Daniel A. Herrmann, president & chief operating officer; Peter E. Rhodes, exec. v.p. & treasurer; Henry Panasci, vice president; James B. Miller v.p.-personnel; Daniel W. Kendzie, v.p.-merchandising, Robert J. Wrona, v.p.-distribution & construction; Thomas M. Rouen, v.p.-advertising & promotion; John A. Kogut, v.p.-operations & professional relations; Robert H. Altman, general counsel & secretary; Paul T. Anderson, controller & asst. secretary.

Directors: Henry A. Panasci, Jr., Daniel A. Herrmann, Lawrence S. Bangser, Hyman Miller, John D. Burke, Tarky Lombardi, Jr., Robert J. Congel, Peter E. Rhodes, Steven H. Ashcraft.

Business Activities: Operates 105 drug stores in upstate New York, Pennsylvania, South Carolina and North Carolina. Four of the Company's stores have licensees who operate ladies' and children's ready to wear, men's and boy's ready to wear, domestics and shoe departments. The Company also operates a liquor store.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: FAY

Number of Stores: (at fiscal year end)

1980	105	1977	40
1979	62	1976	40
1978	51		

Sales and Earnings

	Revenues	Net Income
1980	$194,037,478	$ 3,009,663
1979	141,921,365	2,478,212
1978	119,617,435	1,927,937
1977	100,570,802	1,588,203
1976	81,903,338	1,236,181

	No. of Com. Shares	Earn. per Share ‡
1980	2,034,930	$1.45
1979	1,801,404	1.23
1978	1,603,859	0.97
1977	1,588,659	0.81
1976	1,049,192	0.64

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.225	10%	—
1979	0.16	10%	—
1978	0.15	—	—
1977	0.08	—	3-for-2

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 17,909,684	$8.80
1979	15,136,137	8.40
1978	12,815,754	7.99
1977	11,102,124	6.99

Income Account

Year ended Jan. 31	1980	1979
Revenues	$194,037,478	$141,921,365
Cost of sales	144,877,460	106,748,766
Expenses	39,145,739	27,562,582
Depreciation & amortization	2,387,005	1,690,947
Interest expense	1,854,215	1,016,453
Income before taxes	$ 5,773,059	$ 4,902,617
Income taxes	2,763,396	2,424,405
Net Income	$ 3,009,663	$ 2,478,212

Assets

As of Jan. 31	1980	1979
Cash	$ 2,819,647	$ 4,525,405
Accts. receiv., net	3,266,702	1,481,105
* Inventories	30,817,576	18,198,248
Prepaid expenses	1,448,246	955,213
Current Assets	$ 28,352,171	$ 25,159,971
# Fixed assets	21,069,667	14,406,444
Defer. charges	2,480,942	174,236
Prepaid taxes	660,961	534,659
Other assets	182,580	440,251
Total Assets	$ 62,746,321	$ 40,715,561

Liabilities

Long-term debt curr	$ 1,212,895	$ 843,344
Accts. payable	16,072,118	9,548,490
Accruals	2,231,848	1,677,073
Accrued payroll	1,013,002	748,936
Income taxes	1,974,084	957,297
Curr. Liabilities	$ 22,503,947	$ 13,775,140
Long-term debt	12,252,549	3,490,347
Oblig. under cap. leases	10,080,141	8,313,937
+ Common stock	203,492	180,140
Add. paid-in capital	8,955,611	6,977,098
Retained earnings	8,750,581	7,978,899
Total Liabilities & Shareholders' Equity	$ 62,746,321	$ 40,715,561

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.98	3.45
%Net Income to Sales	1.55	1.75
%Net Income to Equity	16.80	16.37
Sales to Inventories	6.30	7.80
Working Capital	$ 5,848,224	$ 11,384,831
Current Ratio	1.26	1.83
Shareholders' Equity	$ 17,909,684	$ 15,136,137

Federated Department Stores, Inc.

7 West Seventh Street
Cincinnati, Ohio 45202
(513) 579-7000

Officers: Ralph Lazarus, chairman of the board; Howard Goldfeder, president; Melvin Jacobs, Donald J. Stone, vice chairmen of the board; Harold Kremsky, chairman of the exec. comm.; Maurice Lazarus, chairman of the finance committee; Lawrence M. Isaacs, Bernard S. Klayf, executive vice presidents; John H. F. Hoving, Clinton F. Herby, Frank Mayans, Jack L. Ratzkin, Phyllis S. Sewell, Harold E. Johnson, Eugene G. Rappeport, James B. Selonick, R. John Cunningham, sr. vice presidents; Joseph J. Preminger, sr. v.p. & controller; Edward L. Field, Weston P. Figgins, Charles Y. Lazarus, Orren J. Bradley, Byron E. Allumbaugh, Edmond D. Cicala, Richard W. McEwen, Joseph E. McMahon, Stewart Orton, Marvin S. Traub, Bruce Macleod, Paul P. Thiemann, Harold Brockey, Jenna Lou Tonner, Robert J. Goethals, J. Timothy Heile, H. Stewart Rose, Walter A. Couper, Douglas Thomsen, G. Richard Hanor, Norman M. Weiser, vice presidents, Boris Auerbach, secretary; James M. Leahy, treasurer.

Directors: J. Paul Austin, Harold Brockey, William H. Dennler, Howard Goldfeder, Jerome H. Holland, Lawrence M. Isaacs*, Howard W. Johnson, Harold Krensky*, Charles Y. Lazarus, Maurice Lazarus*, Ralph Lazarus*, Daniel W. LeBlond*, Peter G. Peterson, Kathryn D. Wriston, Melvin Jacobs*, Richard M. Bressler, James L. Ferguson, Bernard S. Klayf, Donald J. Stone, Marvin S. Traub, Edmund W. Littlefield.

* Member of Executive Committee

Business Activities:

Operates the following stores:
Abraham & Straus
422 Fulton Street
Brooklyn, New York 11202
(212) 875-7200

Branches: Babylon, Garden City, Hempstead, Huntington, Manhasset, Smith Haven, Rego Park, White Plains, New York, Woodbridge, Monmouth and Paramus, New Jersey.

Bloomingdale's
Lexington Avenue at 59th Street
New York, New York 10022
(212) 752-1212

Branches: Hackensack, and Short Hills, New Jersey, Fresh Meadows, Scarsdale, Manhasset, New Rochelle, Garden City, White Plains, New York; Stamford (2), Connecticut; Jenkintown, Pennsylvania; Chestnut Hill (2), Massachusetts; Tyson's Corner, Virginia; White Flint, Maryland.

Boston Store
331 W. Wisconsin Avenue
Milwaukee, Wisconsin 53023
(414) 271-5060

Branches: Bay Shore (Glendale), Boston Village (Milwaukee), Brookfield, Southridge (Greendale), Northridge (Milwaukee).

Bullock's
South Seventh & Hill Streets
Los Angeles, California 90014
(213) 627-1911

Branches: Del Amo, LaHabra, Lakewood, Palm Springs, Pasadena, Santa Ana, Westwood, Wilshire, Northridge, Costa Mesa, Sherman Oaks, Woodland Hills, Mission Valley, West Covina, Century City, Newport Beach, La Jolla, Carlsbad, Mission Viejo, Calif.; Scottsdale & Phoenix, Ariz.

Bullock's Northern California
135 Constitution Drive
Menlo Park, California 94025
(415) 329-0750

Branches: Palo Alto, Walnut Creek, San Jose, San Francisco, Oakridge.

Burdine's
22 East Flagler Street
Miami, Florida 33130
(305) 373-1111

Branches: 163 Street (Miami), Dadeland (Miami), Ft. Lauderdale, Hollywood, Miami Beach, Pompano Beach, Tampa, Sarasota, West Palm Beach, Westland (Hialeah), Orlando, Altamonte, Clearwater, Boca Raton, Ft. Meyers, Plantation, St. Petersburg, Florida. Furniture Clearance Centers: Ft. Lauderdale & Miami, Florida.

Filene's
426 Washington Street
Boston, Massachusetts 02101
(617) 426-3800

Branches: Belmont, Braintree (South Shore), Burlington, Chestnut Hill, Hyannis, Natick, Peabody (North Shore), Wellesley, Worcester, Mass.; Warwick, Rhode Island; Manchester, New Hampshire.

Basement Branches: Saugus, Framingham, Worcester, Mass.

Foley's
1110 Main Street
Houston, Texas 77001
(713) 278-3311

Branches: Almeda Mall, Northwest Mall, Pasadena, Greenspoint, Sharpstown, Houston (Warehouse Store), San Jacinto, (Baystown), Memorial, Highland Mall (Austin), Texas.

Goldsmith's
Main, Front & Gayoso Sts.
Memphis, Tennessee 38101
(901) 526-6644

Branches: Oak Court, Southland Mall, Raleigh Springs.

Gold Circle Discount Stores
6121 Huntley Road
Worthington, Ohio 43085
(614) 585-9880

Branches: Columbus, Ohio (6); Dayton, Ohio (3); Cleveland, Ohio (7); Springfield, Ohio; Canton, Ohio; Cincinnati, Ohio (4); Akron, Ohio (3); Rochester, New York (3); San Jose, California (4); Pittsburg, Pennsylvania (4), Sacramento, California (3); Lexington, Kentucky; Florence, Kentucky; Parma, Ohio;

Gold Triangle Stores
325 W. 74th Place
Hialeah, Florida 33014
(305) 823-3111

Branches: Skylake (Miami), Dadeland (Miami), Orlando, Tempa, Plantation, Hialeah.

Lazarus
High & Town Streets
Columbus, Ohio 43216
(614) 463-2121

Branches: Eastland, Kingsdale, Northland, Westland, Home Store East, Capri Shops (3): Lima, Richland (Mansfield), Ohio; Castleton (Indianapolis), Washington Square (Indianapolis), Lafayette (Indianapolis), Greenwood (Indianapolis) Indiana.

Levy's
Box 1591
Tucson, Arizona 85702
(602) 795-5000

I. Magnin & Co.
Union Square
San Francisco, California 94108
(415) 362-2100

Branches: Beverly Hills, Carmel, Del Amo (Torrance), LaJolla, Los Angeles, Oakland, Palm Springs, Palo Alto, Pasadena, San Fernando Valley (Sherman Oaks), San Mateo, Santa Ana, Santa Barbara, Costa Mesa, San Jose, Santa Clara and Walnut Creek, California; Phoenix, Arizona; Portland, Oregon; Seattle, Washington; Chicago (2), Illinois; White Flint (North Bethesda) Maryland.

Ralphs
3410 W. 3rd Street
Los Angeles, California 90005
(213) 382-7234

Operates 100 supermarkets plus attendant manufacturing and distribution facilities.

Rich's
45 Broad Street S.W.
Atlanta, Georgia 30302
(404) 586-4636

Branches: Lenox Square, Belvedere, Cobb Center, North DeKalb, Greenbriar, South DeKalb, Perimeter Mall, Shannon Mall, Outlet Home Store, Cumberland Mall, South Lake Mall, Atlanta, Ga; Augusta Mall, Augusta, Ga.; Brookwood Village & Century Plaza, Birmingham, Ala.; Columbia Mall, Columbia, S.C.; Haywood Mall, Greenville, S.C.

Richway Discount Stores
45 Broad St. S.W.
Atlanta, Georgia 30302
(404) 586-2800

Branches: Covington Highway (Atlanta), Cobb Parkway (Atlanta), Old National Highway (Atlanta), Jonesboro Road (Atlanta), North Druid Hills (Atlanta), Holcombe Bridge Road (Atlanta), Tara Blvd. (Atlanta), Buford Highway (Atlanta), Sandy Springs (Atlanta), Sandy Plains (Atlanta), Freedom Drive (Charlotte), Independence Blvd. (Charlotte), Eastway Drive (Charlotte), Tyvola Road (Charlotte), Gastonia, North Carolina, Decker Blvd. (Columbia), Bush River Road (Columbia), Garner's Ferry Road, (Columbia), Lilburn, Ga., Austell, Ga., Athens, Ga.

Rike's
2nd and Main Streets
Dayton, Ohio 45401
(513) 224-9411

Branches: Dayton Mall, Kettering, Salem, Springfield.

Sanger-Harris
Akard at Pacific
Dallas, Texas 75222
(214) 748-3611

Branches: Preston Center, Big Town, Highland Park, Town East, Valley View, Plymouth Park (Irving), Six Flags Mall (Arlington), Red Bird Mall, Hulen Mall (Ft. Worth), North Hills Mall (Ft. Worth), Collin Creek Mall (Plano).

Shillito's
Seventh & Race Streets
Cincinnati, Ohio 45202
(513) 381-7000

Branches: Kenwood Mall, Beechmont Mall, Tri-County, Western Woods, Louisville (2), Florence & Lexington Kentucky.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Cincinnati, Pacific, Phila-Balt-Wash, Midwest, Detroit.

Ticker Symbol: FDS

Number of Department and Specialty Stores:
(at fiscal year end)

1980	183	1977	153
1979	175	1976	134
1978	162		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1979	$ 5,806,400	$ 203,200
1978*	5,404,600	197,900
1977	4,923,400	196,100
1976	4,446,600	167,600
1975	4,061,900	168,500

	No. of Com. Shares #	Earn. per Share #
1979	48,300,000	$4.21
1978*	48,200,000	4.11
1977	48,100,000	4.08
1976	48,100,000	3.49
1975	48,000,000	3.51

* 53 weeks.
‡ Includes leased department sales.
# Based on average number of shares outstanding.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Department stores	$4,280,200	73.7%	$3,958,100	73.2%
Mass merch.	643,500	11.1	594,600	11.0
Supermarkets	882,700	15.2	851,900	15.8
Total	$5,806,400	100.0%	$5,404,600	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.70	—	—
1978	1.62½	—	—
1977	1.49½	—	—
1976	1.38½	—	—
1975	1.22	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$1,633,500,000	$33.83
1978	1,511,000,000	31.35
1977	1,390,500,000	28.90
1976	1,265,300,000	26.33
1975	1,161,800,000	24.23

‡ Based on the average number of shares outstanding.

Income Account*
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 5,806,442	$ 5,404,621
Cost of sales	4,229,820	3,936,248
Expenses	1,117,922	1,027,706
Prov. for doubtful accts.	28,064	20,944
Interest expense	55,208	43,427
Income before taxes	$ 375,428	$ 376,296
Income taxes	172,200	178,400
Net Income	203,228	$ 197,896

* Included in Costs and Expenses, Depreciation and Amortization: $129,524,000 in 1979 and $116,437,000 in 1978.

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 35,171	$ 68,149
Accts. receiv., net	982,569	876,842
*Inventories	652,262	573,107
Prepaid expenses & supplies	25,502	23,039
Current Assets	$ 1,695,504	$ 1,541,137
#Fixed assets	1,538,686	1,360,390
Other assets	61,154	54,904
Total Assets	$ 3,295,344	$ 2,956,431

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 367,145	$ 304,464
Accts. payable & accruals	578,978	464,267
Income taxes	196,200	181,510
Curr. Liabilities	$ 1,142,323	$ 950,241
Long-term debt	361,252	359,443
Deferred compensation	110,264	100,739
Deferred inc. taxes	47,987	35,029
+Common stock	62,196	62,196
Add. paid-in capital	118,860	119,485
Retained earnings	1,486,454	1,365,320
Treasury stock	(33,992)	(36,022)
Total Liabilities & Shareholders' Equity	$ 3,295,344	$ 2,956,431

* At LIFO which is lower than market.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.47	6.96
%Net Income to Sales	3.50	3.66
%Net Income to Equity	12.44	13.10
Sales to Inventories	8.90	9.43
Working Capital	$ 553,181,000	$ 590,896,000
Current Ratio	1.48	1.62
Shareholders' Equity	$1,633,518,000	$1,510,979,000

Federated Purchaser, Inc.

155 U.S. Route 22
Springfield, New Jersey 07081
(201) 376-8900

Federated Purchaser, Inc.

1112 Airport Road
Allentown, Pennsylvania 18103
(215) 437-4481

Officers: Harry J. Fallon, president; Anthony D. Carbone, vice president-retail marketing & secretary; Steven J. Jordan, vice president-industrial marketing; Jane A. Christy, v.p.-operations.

Directors: Arthur C. Kammerman, chairman; Edmond L. Hoener, Harry J. Fallon, Alex Burnstan.

Business Activities: Engaged in the marketing of electronic parts, components and equipment to industrial and retail customers. To its industrial customers the company sells a broad range of products including semi-conductors, wire, transformers, relay systems, capacitors and electronic tubes. The principal products marketed by the company to retail customers are home entertainment equipment including stereo systems, tape recorders, speakers, radios and related accessories. The company markets its retail products through two stores located in Springfield, New Jersey and Allentown, Pennsylvania. Industrial products are marketed directly by Federated's sales personnel from both locations and in the field.

Transfer Agent(s):

The National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	2	1976	2
1978	2	1975	2
1977	2		

Sales and Earnings

	Net Sales	Net Income =
1979	$ 5,172,726	$ 177,437
1978	4,534,768	116,840
1977	4,301,534	110,222
1976	3,535,847	125,095
1975	3,306,244	102,434

	No. of Com. Shares +	Earn. per Share + =
1979	$ 865,212	$0.21
1978	865,062	0.14
1977	835,732	0.13
1976	801,432	0.16
1975	847,541	0.12

+ Based on weighted average number of shares outstanding.
= Includes extraordinary gain of $45,392 ($0.06 per share) in 1976, and $35,700 ($0.04 per share) in 1975.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.05		—
1978	0.05		—

Common Stock Equity

	Total Equity	Equity Per Share +
1979	$ 1,400,805	$1.62
1978	1,270,484	1.47
1977	1,195,517	1.43
1976	1,012,795	1.34
1975	942,075	1.11

+ Based on the weighted average number of shares outstanding.

Income Account

Year ended October 31	1979	1978
Net sales	$ 5,172,726	$ 4,534,768
Cost of sales	3,821,488	3,379,419
Expenses	1,075,169	986,181
Depreciation	15,772	8,752
Interest expense	2,836	459
Other income	(69,686)	(60,533)
Income before taxes	$ 327,147	$ 220,490
Income taxes	149,710	103,650
Net Income	$ 177,437	$ 116,840

Assets

As of October 31	1979	1978
Cash	$ 86,091	$ 93,219
Cert. of deposit	375,000	150,000
Accts. receiv., net	499,889	472,733
Notes & other receiv.		11,000
*Inventories	841,294	918,658
Prepaid expenses	7,150	2,290
Current Assets	$ 1,809,424	$ 1,647,900
=Fixed assets	72,405	40,591
Other assets		1,580
Total Assets	$ 1,881,829	$ 1,690,071

Liabilities

	1979	1978
Long-term debt, curr.	$ 12,337	$
Accts. payable	279,512	309,448
Accruals	124,911	93,332
Income taxes	41,305	16,807
Curr. Liabilities	$ 458,065	$ 419,587
Long-term debt	22,959	
+Common stock	86,521	86,521
Add. paid-in capital	1,719,949	1,718,835
Retained earnings (deficit)	(399,480)	(533,941)
Treasury stock	(6,185)	(931)
Total Liabilities & Shareholders' Equity	$ 1,881,829	$ 1,690,071

* At lower of cost (FIFO) or market.
= Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	6.32	4.86
%Net Income to Sales	3.43	2.58
%Net Income to Equity	12.67	9.20
Sales to Inventories	6.15	4.94
Working Capital	$ 1,351,359	$ 1,228,313
Current Ratio	3.95	3.93
Shareholders' Equity	$ 1,400,805	$ 1,270,484

The Fed-Mart Corporation

3851 Rosecrans Street
San Diego, California 92110
(714) 574-7111

Officers: Hugo Mann, chairman of the board; Heinz L. Gundlach, vice chairman of the board & chief exec. officer; Bernard B. Litwak, pesident & chief operating officer; Lawrence M. Sherman, exec. v.p.-legal; Edward Maron, Jr., Robert H. Quayle, III, exec. v.p.'s-merchandising; David L. Doten, exec. v.p.-operations; William E. Sliney, exec. v.p.-finance, chief accounting officer; James J. Vigue, Frank W. Wilson, Thomas H. Riches, Daniel Goodman, William S. Goodlatte, Normon J. Alpert, sr. v.p.'s; John M. Spear, v.p. treasurer & asst. secretary; Charles Burnett, Ray Balwierczak, William F. Motts, Edward P. Samiljan, Leland Pollock, John M. Shanklin, Ronald Cottrell, John J. Harris, Robert V. Steffek, W.N. Thompson, Rudolph M. Welch, Earl C. Welliver, Nathan Zechter, v.p's.

Directors: Robert B. Anderson, Peter T. Dixon, Heinz L. Gundlach, Hugo Mann, David Lubart.

Business Activities: Operates a chain of discount stores in the southwestern United States which sells national brands as well as its own private line of goods.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): American, Pacific

Ticker Symbol: FMI

Number of Stores: (at fiscal year end)

1979	69	1976	47
1978	58	1975	44
1977	48		

Sales and Earnings

	Net Sales ‡	Net Income †
1979	$975,029,000	$ (11,103,000)
1978	696,325,000	3,020,000
1977	542,773,000	5,463,000
1976	459,967,000	4,519,000
1975	381,491,000	3,259,000

	No. of Com. Shares	Earn. per Share #
1979	2,225,702	$ —
1978	2,237,956	1.34
1977	2,248,811	2.69
1976	1,351,858	3.32
1975	1,361,602	2.81

(Loss)
† Restated to reflect capitalization of leases.
‡ Includes leased departments.
# Based on the weighted average number of shares outstanding, adjusted to reflect stock dividend.

Revenues by Line of Business

	1979	1978	1977	1976
Food & sundries	56.2%	54.2%	57.5%	56.6%
Hardlines	25.5	26.4	23.8	23.7
Softlines	9.6	8.9	7.2	7.3
Pharmacy	2.7	3.1	3.5	3.7
Gasoline	3.7	4.6	5.3	5.8
Auto Center	2.3	2.8	2.7	2.9
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.30	—	—
1978	0.60	—	—
1977	0.60	—	—
1976	0.60	—	—
1975	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 86,298,000	$17.54
1978	52,326,000	23.38
1977	51,489,000	22.90
1976	35,143,000	26.00
1975	31,502,000	23.14

‡ Adjusted to reflect stock dividend.

Income Account*
(000's)

Year ended	9/2/79	9/3/78
Net sales	$ 954,740	$ 678,659
Other income	8,702	6,218
Total Income	$ 963,442	$ 684,877
Cost of sales	754,696	533,812
Expenses	217,082	138,844
Interest & debt. exp.	14,197	7,222
Income (loss) bef. taxes	$ (22,533)	$ 4,999
Income taxes (credit)	(11,430)	1,979
Net Income (Loss)	$ (11,103)	$ 3,020

Assets
(000's)

As of	9/2/79	9/3/78
Cash	$ 7,532	$ 4,624
Accts. & notes receiv., net	7,239	6,262
Refundable inc. taxes	8,109	713
*Inventories	113,263	86,170
Prepaid expenses	2,227	1,721
Current Assets	$ 138,370	$ 99,490
≠Fixed assets	175,881	140,882
Other assets	7,081	6,425
Total Assets	$ 321,332	$ 246,797

Liabilities
(000's)

Mortgages and debentures	$ 3,105	$ 3,083
Oblig. under cap. leases	2,422	1,446
Accts. payable	64,046	54,723
Accruals	20,438	18,200
Curr. Liabilities	$ 90,011	$ 77,452
Long-term debt:		
Bank loans & mortg	97,098	56,357
Cap. lease oblig.	35,525	29,223
Subord. deb	8,332	25,236
Deferred credits	503	621
Deferred inc. taxes	2,180	5,582
Other liabilities	1,385	—
Preferred stock	46,000	—
+Common stock	32,540	32,716
Retained earnings	6,318	18,170
Additional paid-in capital	1,440	1,440
Total Liabilities & Shareholders' Equity	$ 321,332	$ 246,797

* At LIFO cost.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.74
%Net Income to Sales	—	0.44
%Net Income to Equity	—	5.77
Sales to Inventories	8.43	7.88
Working Capital	$ 48,359,000	$ 22,038,000
Current Ratio	1.54	1.28
Shareholders' Equity	$ 86,298,000	$ 52,326,000

Fifth Avenue Cards, Inc.

Empire State Building
350 Fifth Avenue
New York, New York 10001
(212) 736-3503

Officers: Isidore Cohen, chairman & chief executive officer; David Cohen, president & treasurer; Sheldon Cohen, v.p. & secretary; Gerald Coopersmith, controller.

Directors: Isidore Cohen, Sheldon Cohen, David Cohen.

Business Activities: Operates and franchises greeting card shops in 13 states: New York, New Jersey, Connecticut, Pennsylvania, Florida, South Carolina, North Carolina, Mississippi, Tennessee, Georgia, Massachusetts, Maryland and Virginia.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

	Owned	Franchised
1979	27	22
1978	26	25
1977	24	27
1976	22	30
1975	24	32

Sales and Earnings

	Net Sales	Net Income †
1979	$ 6,980,699	$ 66,487
1978	5,726,655	118,173
1977	5,151,107	(24,240)
1976	4,679,961	(97,188)
1975	4,042,525	(21,844)

	No. of Com. Shares	Earn. per Share ‡†
1979	996,262	$0.07
1978	996,262	0.12
1977	996,262	—
1976	996,262	—
1975	996,262	—

(Loss)
‡ Based on the weighted average number of shares outstanding.
† Including extraordinary credit of $31,500 ($0.03 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 2,828,226	$2.84
1978	2,761,739	2.77
1977	2,643,566	2.65
1976	2,667,806	2.68
1975	2,764,994	2.78

Income Account

Year ended June 30	1979	1978
Net sales	$ 6,980,699	$ 5,726,655
Other income	594,290	796,820
Total income	$ 7,574,989	$ 6,523,475
Cost of sales	3,695,503	3,017,816
Expenses	3,595,916	3,149,809
Credits & allowances	(35,968)	—
Depreciation	111,851	105,753
Interest expense	67,360	71,635
Store closing costs	45,431	60,289
Income before taxes	$ 94,896	$ 118,173
Income taxes	28,409	31,500
Net Income	$ 66,487	$ 86,673
Extraord. credit	—	31,500
Net Income & extraord. credit	$ 66,487	$ 118,173

Assets

As of June 30	1979	1978
Cash	$ 229,191	$ 144,344
Short-term invest.	215,000	130,000
Accts. & notes receiv., net	446,113	410,794
*Inventories	1,952,605	1,736,758
Prepaid expenses	63,213	45,002
Current Assets	$ 2,906,122	$ 2,466,898
Notes & accts. receiv.	1,773,104	2,033,534
≠Fixed assets	933,794	940,871
Other assets	28,273	39,443
Total Assets	$ 5,641,293	$ 5,480,746

Liabilities

Notes payable	$ 250,000	$ 200,000
Long-term debt, curr.	124,000	124,000
Accts. payable & accruals	1,128,997	837,347
Curr. Liabilities	$ 1,502,997	$ 1,161,347
Long-term debt	313,173	436,419
Deferred income	782,333	910,236
Deferred inc. taxes	116,414	88,005
Lease obligations for closed stores	98,150	123,000
+Common stock	99,626	99,626
Add. paid-in capital	1,685,988	1,685,988
Retained earnings	1,042,612	976,125
Total Liabilities & Shareholders' Equity	$ 5,641,293	$ 5,480,746

* At lower of cost (retail method) or market.
≠ Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.36	2.06
%Net Income to Sales	0.95	1.51
%Net Income to Equity	2.35	3.14
Sales to Inventories	3.58	3.30
Working Capital	$ 1,403,125	$ 1,305,551
Current Ratio	1.93	2.12
Shareholders' Equity	$ 2,828,226	$ 2,761,739

First National Supermarkets, Inc.

(formerly First National Stores, Inc.)

(16.8% owned by Madison Fund, Inc.)

17000 Rockside Road
Maple Heights, Ohio 44137
(216) 587-7100

Officers: Richard J. Bogomolny, chairman of the board, president & chief executive officer; William C. Prain, exec. vice president & chief operating officer; M. Michael Charnas, sr. v.p.-finance; Frank Eschbacher, sr. v.p.-corp. services; Edward M. Harwell, sr. v.p.-human resources & special services; Raymond Korfant, sr. v.p.-mktg. & sales; Frank McDonald, sr. v.p.-labor, mgt. affairs & personnel admn.; Robert T. Samuels, sr. group v.p.-administration; John E. Wade, sr. v.p.-legal affairs, general counsel & secretary; Glenn Willard, sr. v.p.-store operations; Laurence R. Buxbaum, v.p.-gov't & public affairs; Roger W. Keen, v.p. & treasurer; George F. McPhillips, v.p.-real estate & construction; Donald A. DeSantis, v.p. & controller.

Directors: Richard L. Bogomolny, chairman; George D. Gould, Raymond Korfant, Milton Kravitz, Martin M. Lewis, Sanford B. Noll, William C. Prain, Maurice Saltzman, Allan K. Shaw, Henry Weigl, Glenn Willard, Richard J. Bogomolny.

Business Activities: Operates a chain of food stores known as Pick-N-Pay, Finast, Big Buy and Edwards in Ohio, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut and New York.

Note: On May 25, 1978, First National Stores Inc. merged with Pick-N-Pay Supermarkets Inc. to become First National Supermarkets, Inc.

Division(s):

Ohio Division
17000 Rockside Road
Maple Heights, Ohio 44137
(216) 587-7100

Operates supermarkets in Ohio. A 50% interest in Dinner Bell Meats, Inc., a distribution, processing and boxed beef facility, supplies the Ohio Division's meat requirements and a significant portion of the eastern division's needs.

First National Supermarkets, Inc.

Eastern Division
(administrative & executive offices)

1 Myrtle Street
Hartford, Connecticut 06105
(203) 727-9511

Eastern Division
(buying offices & distribution center)

500 North Street
Windsor Locks, Connecticut 06096
(203) 627-0241

Transfer Agent(s):

Ameri Trust Company
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FOOD

Number of Stores: (at fiscal year end)

1980	247	1977	252
1979	274	1976	264
1978	231		

Sales and Earnings

	Net Sales	Net Income
1980	$1,364,797,000	$ 5,253,000
1979	1,111,691,000	3,934,000
1978	382,464,000	1,631,000
1977	357,608,000	4,533,000
1976*	316,105,000	3,636,000

	No. of Com. Shares #	Earn. per Share #
1980	4,312,000	$1.24
1979	4,110,000	0.96
1978	2,952,000	0.55
1977	2,777,000	1.63
1976	2,693,000	1.35

* 53 weeks.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.02	—	—
1979	0.02	—	—
1978	0.088	—	—
1977	0.024	—	3-for-1
1976	0.004	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 35,507,912	$8.23
1979	34,297,000 +	8.34
1978	17,976,000	6.09
1977	15,600,000	5.62

+ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	3/29/80	3/31/79
Net sales	$ 1,364,797	$ 1,111,691
Cost of sales	1,063,518	852,100
Expenses	286,975	247,807
Interest expense	9,285	7,615
Income before taxes	$ 5,019	$ 4,169
Income taxes (credit)	(234)	235
Net Income	$ 5,253	$ 3,934

* Included in Costs and Expenses, Depreciation and Amortization: $9,391,000 in 1979 and $7,971,000 in 1978.

Assets
(000's)

As of	3/29/80	3/31/79
Cash	$ 9,816	$ 12,136
Accts. receiv., net	8,518	7,481
* Inventories	90,895	107,277
Other assets	4,376	4,463
Current Assets	$ 113,605	$ 131,357
# Fixed assets	30,646	58,693
Leased prop. under cap. leases	56,666	35,157
Other assets	7,860	8,222
Total Assets	$ 208,777	$ 233,429

Liabilities
(000's)

Notes payable	$	$ 11,264
Accts. payable	42,598	55,905
Accruals	26,244	27,923
Accrued costs rel. to stores closings	1,553	3,077
Long-term debt, curr.	2,281	2,262
Cap. lease oblig. curr.	2,753	2,141
Curr. Liabilities	$ 75,429	$ 102,572
Long-term debt	37,747	41,133
Convert. deben.	4,000	
Cap. lease oblig.	41,904	39,088
Accrued costs rel. to store closing	3,434	6,066
Deferred credits	8,758	8,276
+ Preferred stock	2,000	2,000
+ + Common stock	36	41
Add. paid-in capital	13,092	16,285
Retained earnings	23,059	18,008
Deferred comp. - stock plan	(641)	
Treasury stock	(41)	(40)
Total Liabilities & Shareholders' Equity	$ 208,777	$ 233,429

* At cost (LIFO).
= Less accumulated depreciation & amortization.
+ $8 par value.
+ + $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales		0.38
%Net Income to Sales	0.38	0.35
%Net Income to Equity	14.01	10.84
Sales to Inventories	15.02	10.36
Working Capital	$ 38,176,000	$ 28,785,000
Current Ratio	1.51	1.28
Shareholders' Equity	$ 37,505,000	$ 36,294,000

Fisher Foods, Inc.

5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7000

Mailing address:

P.O. Box 46555
Cleveland, Ohio 44146

Officers: Carl Fazio, chairman of the board; Dominick DiMatteo, Jr., president; Rober G. Everett, vice chairman & chief administrative & financial officer; Joseph Bagel, Robert V. D'Amato, James McDermott, vice presidents; Dominic Scopa, v.p.-meat operations; John L. Dampeer, secretary; William T. Flyg, controller.

Directors: Carl Fazio, chairman; John Fazio, John L. Dampeer, Dominick DiMatteo, Jr., George J. Grabner, Charles W. Fazio, Wendell Earle, David F. Leahy, Carl Fazio, Jr., Robert G. Everett.

Business Activities: The company is a food retailer with non-food operations. It operates food stores and food departments in Cleveland and Chicago metropolitan areas, and in sourthern Ohio and northern Kentucky. The Company also operates Omar Bakeries, Inc. Eagle Ice Cream, Prestige Donuts, Feren Fruit Basket Company, and Ludwig Dairy Corporation.

Divisions & Subsidiaries:

Fazio's
5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7000
Operates 76 food supermarkets in northern Ohio.

Dominick's Finer Foods, Inc.
555 Northwest Avenue
Northlake, Illinois 60164
(312) 562-1000
Operates 70 supermarkets in Greater Chicago.

Warehouse Store Division
5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7000
Operates 11 warehouse type supermarkets throughout Ohio.

Eagle Ice Cream Company
90 Broadway
Bedford Heights, Ohio 44146
Packaged ice cream and ice cream products.

Feren Fruit Basket Company
2735 E. 40th Street
Cleveland, Ohio
(216) 431-8700
Packer and retailer of fruit and gift baskets and gourmet meats.

Omar Bakeries, Inc.
408 Sheldon Street
Columbus, Ohio 43216
(614) 443-6511
Supplies bakery products to Fisher-Fazio and Kantor Divisions as well as outside customers.

Prestige Donut Company
Cincinnati, Ohio
Manufactures doughnuts.

Ludwig Dairy Corporation
200 North Spring Street
Elgin, Illinois 60120
(312) 741-5515
Manufactures milk and dairy products.

Transfer Agent(s):

National City Bank
(preferred and common stock)
623 Euclid Avenue
Cleveland, Ohio 44114

Stock Exchange(s): New York

Ticker Symbol: FHR

Number of Stores: (at fiscal year end)

	Super-markets	Discount Dept. Stores	Drugs Stores
1979	146	—	—
1979	158	—	—
1977	201	—	—
1976	197	8	4
1975	197	8	4

Sales and Earnings

	Net Sales	Net Income
1979	$1,336,293,000	$ (6,989,000)
1978	1,451,676,000	9,829,000
1977	1,536,523,000	4,384,000
1976	1,442,546,000	12,383,000
1975*	1,383,671,000	11,863,000

	No. of Com. Shares	Earn. per Share ‡
1979	6,205,785	$ –
1978	6,221,341	1.56
1977	6,221,341	0.68
1976	6,221,262	1.97
1975*	6,188,199	1.89

-(Loss)
* 53 weeks.
‡ Based on the average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.55	–	–
1978	0.60	–	–
1977	0.60	–	–
1976	0.40	–	–
1975	0.40	–	–

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$ 76,529,785	$12.35
1978	87,198,515	14.04
1977	81,180,500	13.07
1976	80,657,500	12.99

‡ After allowing for preferred stock at redemption value of $105 per share.

Income Account *
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 1,336,293	$ 1,451,676
Other income	5,288	9,382
Total Income	$ 1,341,581	$ 1,461,058
Cost of sales	1,032,127	1,105,216
Expenses	305,239	327,280
Interest expenses	11,856	12,574
Prov. for closed facil.	10,248	–
Income (loss) bef. taxes	$ (17,889)	$ 15,988
Income taxes (credit)	(10,900)	6,159
Net Income (Loss)	$ (6,989)	$ 9,829

* Included in Costs and Expenses. Depreciation and Amortization: $16,750,000 in 1979 and $15,918,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 27,081	$ 40,221
Refund inc. tax	7,386	
Accts. receiv., net	10,557	12,128
* Inventories	92,892	100,153
Prepaid expenses	9,439	6,508
Current Assets	$ 147,355	$ 159,010
Investments & other assets	7,528	8,325
≠ Fixed assets	135,980	126,203
Leased prop. under cap. leases	42,029	41,152
Total Assets	$ 332,892	$ 334,690

Liabilities
(000's)

Long-term debt, curr.	$ 8,665	$ 3,650
Oblig. under capital leases, curr.	2,093	1,963
Accts. payable	78,362	73,355
Accruals	20,008	18,135
Income taxes		5,184
Other taxes	6,270	5,717
Clos. facil. reserve	4,614	–
Curr. Liabilities	$ 120,012	$ 108,004
Long-term debt	72,337	78,337
Oblig. under capital leases	47,270	45,366
Clos. facil. reserve	661	–
Reserve for retirement benefits	3,315	3,453
Deferred inc. taxes	10,249	9,732
+ Preferred stock	2,398	2,476
+ + Common stock	21,121	21,302
Retained earnings	55,529	66,020
Total Liabilities & Shareholders' Equity	$ 332,892	$ 334,690

* At lower of cost (LIFO; mfg. oper. at FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value, $5 cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	–	1.10
%Net Income to Sales	–	0.68
%Net Income to Equity	–	10.95
Sales to Inventories	14.39	14.49
Working Capital	$ 27,343,000	$ 51,006,000
Current Ratio	1.23	1.47
Shareholders' Equity	$ 79,048,000	$ 89,798,000

Flahs' Incorporated

878 Albany-Shaker Road
Latham, New York 12110
(518) 785-3294

Officers: Bertram H. Freed, chairman of the board & chief financial officer; Barbara H. Freed, president & chief executive officer; Frederick D. Baxter, treasurer; D. Charles Rugar, secretary.

Directors: Arnold Elkind, Bertram H. Freed, Barbara H. Freed, Mark L. Heller, Frederick D. Baxter.

Business Activities: Operates a chain of fashion specialty stores for women, men and children. These stores are located in central and eastern New York State.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): Boston, Over-the-Counter

Ticker Symbol: FLH (Boston), FLAH (NASDAQ)

Number of Stores: (at fiscal year end)

1980	10	1977	8
1979	8	1976	15
1978	8		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 11,832,929	$ 50,251
1979‡	12,517,646	3,580,650
1978	11,551,849	230,045
1977	14,377,158	(3,135,666)
1976	14,955,542	(144,669)

	No. of Com. Shares	Earn. per Share † +
1980	363,382	$0.14
1979‡	371,554	9.55
1978	375,364	0.61
1977	375,364	–
1976	375,363	–

(Loss)
‡ Restated to reflect change in accounting method.
+ Based on the weighted average number of common shares and common share equivalents outstanding.
† Including extraordinary gains of $10,000 ($0.03 per share) in 1980, $3,399,561 ($9.07 per share) in 1979, and $109,000 ($0.29 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,802,342	$7.71
1979	2,787,675	7.50
1978	(779,688)	–
1977	(1,009,733)	–
1976	2,125,933	5.66

(Deficiency)

Income Account

Year ended	2/2/80	2/3/79 ‡
Net sales	$ 11,832,929	$ 12,517,646
Other income	369,791	298,530
Total income	$ 12,202,720	$ 12,816,176
Cost of sales	7,054,513	7,520,228
Expenses	4,294,326	4,173,873
Rentals	484,007	508,973
Depreciation & amortization	154,000	144,000
Interest expense	165,623	117,013
Income bef. taxes	$ 50,251	$ 352,089
Income taxes	10,000	171,000
Net Income	$ 40,251	$ 181,089
Extraord. gain	10,000	3,399,561
Net Income & extraord. gain	$ 50,251	$ 3,580,650

‡ Restated to reflect change in accounting method.

Assets

As of	2/2/80	2/3/79 ‡
Cash	$ 8,208	$ 322,083
Cert. of deposit	746,505	1,095,400
Accts. receiv. net	1,476,439	1,364,295
* Inventories	2,080,843	1,892,655
Prepaid expenses & deposits	64,741	24,243
Current Assets	$ 4,376,736	$ 4,698,676
≠ Fixed assets	1,125,104	1,193,662
Other assets	78,588	15,581
Total Assets	$ 5,580,428	$ 5,907,919

Liabilities

Long-term debt, curr.	$ 287,744	$ 384,243
Accts. payable	308,667	241,068
Unredeemed vouchers	146,327	161,472
Accrued payroll	73,477	76,963
Accrued interest	57,446	38,700
Accruals	114,970	134,821
Liabilities under Chap XI	109,584	175,000
Curr. Liabilities	$ 1,098,215	$ 1,212,267
Long-term debt	1,679,871	1,907,977
+ Common stock	4,138	4,138
Add. paid-in capital	1,325,212	1,325,212
Retained earnings	1,600,462	1,550,211
Treasury stock	(127,470)	(91,886)
Total Liabilities & Shareholder's Equity	$ 5,580,428	$ 5,907,919

‡ Restated to reflect change in accounting method.
* At lower of cost (FIFO) or market by the retail method.
≠ Less accumulated depreciation & amortization.
+ $0.01 par value.

Flahs' Incorporated

Statistical Summary

%Income bef. Taxes to Sales	0.42	2.81
%Net Income to Sales	0.34	1.45
%Net Income to Equity	1.44	6.50
Sales to Inventories	5.69	6.61
Working Capital	$ 3,278,521	$ 3,486,409
Current Ratio	3.99	3.88
Shareholders' Equity	$ 2,802,342	$ 2,787,675

S.M. Flickinger Co., Inc.

45 Azalea Drive
P.O. Box 1086
Buffalo, New York 14240
(716) 668-7200

Officers: Robert F. Norris, chairman of the board, chairman of the exec. comm. & chief exec. officer; Jerry D. Metcalf, president & chief operating officer; William C. Confer, Sr., exec. v.p.; Burt P. Flickinger, Jr., pres. -Buffalo Div. & secretary; Robert S. Bargar, pres. -Jamestown Div.; James H. Thompson, v.p. -finance & admn. & treasurer; Tony G. Anthony, v.p. -sales development; Paul A. Barone, v.p. -institutional sales; Rudolph A. Comchoc, v.p. -York Div.; Robert E. Kunz, v.p. -Columbus Div.; Clarence Johnson, v.p.-Elmira Div.; Peter B. Flickinger, v.p. -retail research & site analysis; Thomas R. Flickinger, v.p. -purchasing; Gerald A. Halen, v.p. -distribution; William K. Houseknecht, v.p. -labor relations & personnel; Kenneth H. Johnson, v.p. -retail engineering & design; Ross A. Mancuso, v.p. -info. systems; James A. Demme, v.p. -retail operations; William G. Olney, v.p. & general counsel; William E. Payne, v.p. -perishable operations; John M. Svela, v.p. -transportation; Donald F. Denz, v.p. -internal audit; Donald E. Keefe, asst. v.p. -corp. store div.; William C. Hamlin, controller & asst. treasurer; Barbara J. Parker, asst. secretary.

Directors: Robert F. Norris*, chairman of the board; Jerry D. Metcalf*, James H. Thompson*, George R. Katzenbach, Burt P. Flickinger, Jr.*, Robert S. Bargar*, Peter B. Flickinger, Thomas R. Flickinger*, Clarence R. Baker, Hildreth C. Olney, David J. Laub, G.V. Wampler, George L. Small.

*Member of the Executive Committee.

Business Activities: Owns and operates Super Duper and Super Thrift stores in New York, Ohio and Pennsylvania. Engaged primarily in the distribution of food and related products to independent food store operators, through corporate owned food stores, and to food service customers.

Subsidiary:

P.A. & S. Small Company
York, Pennsylvania

Transfer Agent:

Bradford Trust Company
Two Broadway
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1979	$920,097,692	$ 6,462,039
1978	869,507,578	5,702,948‡
1977	891,445,236	5,593,686
1976*	723,704,000	4,537,000
1975	526,843,000	3,725,000

	No. of Com. Shares †	Earn. per Share †
1979	2,928,233	$2.21
1978	2,921,476	1.95‡
1977	2,916,837	1.91
1976	2,644,403	1.71
1975	2,456,935	1.51

* 53 weeks.
‡ Restated to reflect capitalization of leases.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.57	5%	–
1978	0.56	10%	–
1977	0.50	–	–
1976	0.37	–	2-for-1
1975	0.30	–	–

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity †	Equity Per Share +
1979	$ 48,075,558	$16.75
1978	43,083,359‡	15.12
1977	39,073,124	14.01

† After allowing for preferred stock at aggregate liquidating preference.
‡ Restated to reflect capitalization of leases.
+ Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account*

Year ended	7/28/79	7/29/78‡
Net sales	$920,097,692	$869,507,578
Other revenue	1,554,273	459,368
Total	$921,651,965	$869,966,946
Cost of sales	846,902,670	803,234,267
Expenses	59,307,066	52,938,657
Interest expense	1,968,190	1,806,074
Income before taxes	$ 13,474,039	$ 11,987,948
Income taxes	7,012,000	6,285,000
Net Income	$ 6,462,039	$ 5,702,948

* Included in Costs and Expenses, Depreciation and Amortization: $5,010,605 in 1979 and $5,149,360 in 1978.
‡ Restated to reflect capitalization of leases.

Assets

As of	7/28/79	7/29/78
Cash	$ 7,249,019	$ 2,264,023
Receivables	14,940,286	13,960,386
*Inventories	54,836,874	49,698,607
Supplies and expenses	1,564,798	1,106,657
Current Assets	$ 78,590,977	$ 67,029,673
#Fixed assets	30,997,407	33,568,433
Investments	1,609,424	1,464,293
Total Assets	$111,197,808	$102,062,399

Liabilities

Long-term debt. curr.	$ 1,861,390	$ 1,889,100
Cap. lease oblig.	671,185	646,678
Accts. payable	35,963,678	30,478,250
Accruals	3,200,680	2,533,108
Income taxes	2,084,034	2,200,591
Other accrued taxes	1,048,678	962,501
Curr. Liabilities	$ 44,829,645	$ 38,710,228
Long-term debt	9,639,291	11,586,671
Cap. lease oblig.	5,854,801	6,075,211
Other liabilities	2,037,788	1,678,595
+ Preferred Stock	677,157	828,379
+ + Common Stock	7,163,843	6,781,220
Add. paid-in capital	10,960,370	9,326,626
Retained earnings	30,034,913	27,075,469
Total Liabilities & Shareholders' Equity	$111,197,808	$102,062,399

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO or retail inventory method) or replacement market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.46	1.38
%Net Income to Sales	0.70	0.66
%Net Income to Equity	13.23	12.96
Sales to Inventories	16.78	17.50
Working Capital	$ 33,761,332	$ 28,319,445
Current Ratio	1.75	1.73
Shareholders' Equity	$ 48,836,283	$ 44,011,694

Food Fair, Inc.

6500 North Andrews Avenue
Fort Lauderdale, Florida 33309
(305) 771-8300

Officers: Grant C. Gentry, chairman, president & chief executive officer; Roger L. Galassini, exec. v.p. & general counsel & chief administrative officer; John T. Grigsby, Jr., v.p. & treasurer; Frank N. James, exec. v.p. & chief operating officer; James J. Wachter, sr. v.p. & chief financial officer; Leonard J. Pasternak, v.p., pres.-Footwear Services; Darrell V. Stiffler, Jr., sr. v.p.-dir. industrial relations; Neil Thall, v.p.-dir. management infor. services; Howard F. Gordon, secretary & asst. general counsel; Michael Mandelblatt, asst. treasurer; Edmond O'Neill, Leonard Stubins, Margaret M. Fulton, asst. secretaries.

Directors: Joseph L. Castle, George Friedland, Roger L. Galassini, Grant C. Gentry, Frank N. James, James J. Needham, John M. Fox, Jewel S. Lafontant, James J. Wachter.

Business Activities: Operates Food Fair and Pantry Pride supermarkets on the East Coast. Operates nine retail shoe outlets and sells life insurance, accident and health policies, and annuities.

Note: The Company and nine of its subsidiaries are presently and have been since October 2, 1978, operating as debtors-in-possession under Chapter XI of the Bankruptcy Act.

Divisions and Subsidiaries:

Ideal Shoe Company
Food Fair Anne Arundel, Inc.
Food Fair West Baltimore, Inc.
Washington Square Life Insurance Company

Transfer Agent(s):

Registrat & Transfer Co.
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

	Food	Department
1979	203	–
1978	210	79
1977	490	79
1976	443	82
1975	459	85

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1979	$ 1,487,270	$ (211,079)
1978‡	2,414,665	(92,223)
1977	2,145,125	7,421
1976	2,193,528	3,828
1975	2,175,218	(3,433)

	No. of Com. Shares #	Earn. per Share #
1979	7,358,000	$ –
1978‡	7,358,000	–
1977	7,364,000	1.00
1976	7,361,000	0.51
1975	7,380,000	–

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of shares outstanding.
‡ Restated to reflect capitalization of leases.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$ —	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	0.20	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share †
1979	$ (164,382)	$ —
1978 +	46,712	6.35
1977	138,709	18.84
1976	133,327	18.11
1975	131,014	17.75

(Deficiency)
‡ After allowing for preferred stock at liquidating value of $100 per share.
† Based on the weighted average number of shares outstanding.
+ Restated to reflect capitalization of leases.

Income Account*
(000's)

Year ended	7/28/79	7/29/78 ‡
Net sales	$ 1,487,270	$ 2,414,665
Other income	4,973	7,255
Total income	$ 1,492,243	$ 2,421,920
Cost of sales	1,216,027	1,978,642
Prov. for creditors' claims	23,804	—
Expenses	326,657	447,700
Interest expense	16,506	39,065
Unusual items	55,787	—
Loss before taxes	$ (146,538)	$ (43,487)
Tax credit	—	(8,776)
Loss from cont. oper.	$ (146,538)	$ (34,711)
Loss from discont. oper.	(58,978)	(19,840)
Cum. effect of acctng. change	(5,563)	(37,672)
Net Loss	$ (211,079)	$ (92,223)

* Included in Costs and Expenses, Depreciation and Amortization: $24,071,000 in 1979 and $31,192,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	7/28/79	7/29/78 ‡
Cash	$ 27,505	$ 18,604
Restricted cash	9,698	—
Accts. receiv., net	12,047	20,017
*Inventories	85,602	267,063
Other curr. assets	1,643	9,265
Current Assets	$ 136,495	$ 314,949
Restricted cash	49,676	—
Assets held for dispos.	83,390	—
Investments	11,575	34,336
# Fixed assets	108,595	363,398
Total Assets	$ 389,731	$ 712,683

Liabilities
(000's)

Notes payable	$ 15,000	$ 36,685
Long-term debt, curr.	7,743	124,954
Cap. lease oblig., curr.	5,855	16,668
Accts. payable	24,636	146,078
Accruals	37,160	47,514
Curr. Liabilities	$ 90,394	$ 371,899
Liab. purs. to Chap. XI	388,582	—
Long-term debt	10,908	58,147
Cap. lease oblig.	60,839	231,387
Other liab.	1,771	1,771
Deferred inc. taxes	—	1,140
+Redeem. pref.	1,619	1,627
+ +Common stock	7,557	7,557
Add. paid-in capital	51,241	51,239
Deficit	(221,843)	(10,747)
Treasury stock	(1,337)	(1,337)
Total Liabilities & Shareholders' Equity	$ 389,731	$ 712,683

* At lower of cost or market; stores use retail method, warehouses use average cost, mfg. facilities at FIFO.
‡ Restated to reflect capitalization of leases.
# Less accumulated depreciation.
+ $15 par value, $4.20 cumulative.
+ + $1 par value.

Statistical Summary

Sales to Inventories	17.37	9.04
Working Capital	$ 46,101,000	—
Current Ratio	1.51	—
Shareholders' Equity (Deficiency)	$(162,763,000)	$ 48,339,000

Food Town Stores, Inc.

P.O. Box 1330
Salisbury, North Carolina 28144
(704) 633-8250

Officers: Ralph W. Ketner, president & treasurer; Tom Smith, exec. v.p.; Lawson B. Saul, v.p.-operations; James J. Berrier, secretary.

Directors: Ralph W. Ketner, Wilson L. Smith, T. E. Smith, Guy Beckers, Jacques Le Clercq, Gui de Vaucleroy, Thomas M. Caddell.

Business Activities: Operates a chain of supermarkets in South Carolina, Virginia and North Carolina under the name Food Town.

Transfer Agent(s):

North Carolina National Bank, N.A.
Charoltte, North Carolina

Stock Exchange(s): Over-the-Counter.

Ticker Symbol: FDTN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	85	1976	45
1978	69	1975	30
1977	55		

Sales and Earnings

	Net Sales	Net Income‡
1979	$415,973,916	$ 13,170,509
1978	299,266,769	9,480,765
1977	218,987,345	8,875,621
1976	173,107,726	4,860,875
1975*	129,986,196	3,571,646

	No. of Com. Shares #	Earn. per Share ‡ #
1979	8,576,038	$1.54
1978	8,483,322	1.12
1977	8,457,000	1.05
1976	8,306,208	0.59
1975*	8,235,000	0.43

* 53 weeks.
‡ Including extraordinary gain of $3,087,000 ($0.37 per share) in 1977.
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$0.14	—	3-for-1
1978	0.07⅓	—	—
1977	0.41⅓	—	—
1976	0.02⅓	—	3-for-1
1975	0.01⅔	—	—

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 45,766,462	$5.33
1978	33,772,179	3.94
1977	24,730,964	2.92
1976	19,359,373	2.29
1975	13,352,808	1.62

Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended	12/29/79	12/30/78
Net sales	$415,973,916	$299,266,769
Other income	1,950,410	1,675,934
Total income	$417,924,326	$300,942,703
Cost of sales	343,757,278	248,005,392
Expenses	44,466,020	30,745,753
Depreciation & amortization	4,584,377	3,327,375
Interest expense	1,483,142	1,292,418
Income before taxes	$ 23,633,509	$ 17,571,765
Income taxes	10,463,000	8,091,000
Net Income	$ 13,170,509	$ 9,480,765

* Included in Costs and Expenses, Depreciation and Amortization: $4,584,377 in 1979 and $3,327,375 in 1978.

Assets

As of	12/29/78	12/30/77
Cash	$ 4,563,853	$ 4,113,044
Receiv., net	3,078,582	2,317,678
* Inventories	29,402,394	21,699,429
Prepaid expenses	510,895	224,378
Current Assets	$ 37,555,724	$ 28,354,529
# Fixed assets	48,919,110	37,476,737
Total Assets	$ 86,474,834	$ 65,831,266

Liabilities

Long-term debt, curr.	$ 112,819	$ 78,910
Accts. payable	16,616,821	10,425,090
Accruals	6,271,596	5,390,785
Income taxes	3,048,442	3,408,186
Cur. por. of oblig. under cap. leases	480,063	423,741
Dividends payable	343,320	285,800
Curr. Liabilities	$ 26,873,061	$ 20,012,512
Long-term debt	10,983,262	10,269,893
Oblig. under cap. lease	335,088	181,276
Deferred inc. taxes	2,516,961	1,595,406
+ Common stock	4,291,500	1,429,000
Add. paid-in capital	532,315	3,370,065
Retained earnings	40,942,647	28,973,114
Total Liabilities & Shareholders' Equity	$ 86,474,834	$ 65,831,266

* At lower of cost (88% at LIFO remainder at FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.68	5.87
%Net Income to Sales	3.17	3.17
%Net Income to Equity	28.78	28.07
Sales to Inventories	14.15	13.79
Working Capital	$ 10,682,663	$ 8,342,017
Current Ratio	1.40	1.42
Shareholders' Equity	$ 45,766,462	$ 33,772,179

Foodarama Supermarkets, Inc.

303 West Main Street
Box 592
Freehold, New Jersey 07728
(201) 462-4700

Officers: Joseph J. Saker, chairman of the board & president; Sidney Cohen, sr. v.p.-administration & corporate planning; Richard C. Daitch, sr. v.p.-retail operations; Robert V. Condon, v.p.-sales & merchandising; Ronald Nevers, v.p.-operations; John J. McAteer, v.p.-personnel & labor relations; Joseph C. Troilo, v.p.-finance; Mary Saker, secretary & treasurer.

Directors: Joseph J. Saker*, chairman; Arthur M. Borden, Sidney Cohen*, John W. Hurley, John E. Saker, Mary Saker*.

* Member of the Executive Committee.

Business Activities: Operates Shop-Rite Supermarkets in New York, New Jersey, Connecticut, and Pennsylvania. Also operates two liquor stores, two garden centers, in-store pharmacies and in-store banks.

Transfer Agent(s):

National State Bank
68 Broad Street
Elizabeth, New Jersey 07201

Chemical Bank
P.O. Box 44, Church Street Station
New York, New York 10007

Stock Exchange(s): American

Ticker Symbol: FSM

Number of Stores: (at fiscal year end)

1979	44	1976	43
1978	41	1975	43
1977	43		

Sales and Earnings †

	Net Sales ‡	Net Income #
1979*	$413,016,000	$ 780,000
1978	376,144,000	2,153,000
1977	356,201,000	2,980,000
1976	325,168,305	2,041,000
1975	319,551,976	2,048,000

	No. of Com. Shares	Earn. per Share #
1979	1,343,501	$0.58
1978	1,349,379	1.58
1977	1,372,967	2.17
1976	1,371,752	1.48
1975	1,397,552	1.49

* 53 weeks.
† Restated to reflect capitalization of leases.
‡ Of continuing operations only.
# Including extraordinary credits of $59,600 ($0.04 per share) in 1976 and $256,326 ($0.18 per share) in 1975.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	—	—
1978	0.50	—	—
1977	0.40	—	
1976	0.30	—	—
1975	0.15†		—

†Special year end dividend declared 1/21/76.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 21,499,000	$16.00
1978	21,460,000	15.90
1977	20,227,000	14.73

‡ Restated to reflect capitalization of leases.

Income Account *

Year ended	11/3/79 (53 weeks)	10/28/78 ‡
Net sales	$413,016,000	$376,144,000
Cost of sales	332,706,000	302,022,000
Expenses	79,178,000	70,756,000
Oper. profit	$ 1,132,000	$ 3,366,000
Interest expense	1,023,000	399,000
Income before taxes	$ 109,000	$ 2,967,000
Income taxes (credit)	(671,000)	814,000
Net Income	$ 780,000	$ 2,153,000

* Included in Costs and Expenses, Depreciation $2,641,000 in 1979 and $2,423,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets

As of	11/3/79	10/28/78 ‡
Cash	$ 1,064,000	$ 3,685,000
Receiv., net	1,911,000	1,712,000
Refundable taxes	1,364,000	41,000
* Inventories	18,161,000	16,044,000
Prepaid expenses	1,159,000	627,000
Current Assets	$ 23,659,000	$ 22,109,000
Investments	3,603,000	3,721,000
Receivables	1,473,000	1,173,000
# Fixed assets	21,153,000	13,427,000
Defer. charges	300,000	321,000
Intangibles	3,001,000	3,001,000
Total Assets	$ 53,189,000	$ 43,752,000

Liabilities

Notes payable	$ 4,600,000	$ —
Long-term debt, curr.	2,306,000	1,741,000
Accts. payable	14,323,000	12,286,000
Accruals	1,729,000	1,588,000
Income taxes	520,000	191,000
Curr. Liabilities	$ 23,478,000	$ 15,806,000
Long-term debt	5,942,000	4,712,000
Deferred income	387,000	422,000
Deferred inc. taxes	1,883,000	1,352,000
+ Common stock	1,621,000	1,614,000
Add. paid-in capital	2,347,000	2,327,000
Retained earnings	19,290,000	19,184,000
Treasury stock	(1,759,000)	(1,665,000)
Total Liabilities & Shareholders' Equity	$ 53,189,000	$ 43,752,000

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.03	0.79
%Net Income to Sales	0.19	0.57
%Net Income to Equity	3.63	10.03
Sales to Inventories	22.74	23.44
Working Capital	$ 181,000	$ 6,303,000
Current Ratio	1.01	1.40
Shareholders' Equity	$ 21,499,000	$ 21,460,000

For Better Living, Inc.

27665-A Forbes Road
Laguna Niguel, California 92677
(714) 831-9600

Officers: F. G. Fabian, Jr., chairman of the board & president; Frank Ciotti, financial-v.p. & secretary; Walter B. Hahne, v.p.

Directors: F.G. Fabian, Jr., Frank Ciotti, Walter B. Hahne, J.H. Vollbrecht, L. G. Welles, Peter F. Sullivan.

Divisions & Subsidiaries:

Camera World
1071 Sixth Avenue
San Diego, California 92101
(714) 232-5047

Engaged in the retail sale of cameras, projectors, developing equipment and film primarily to the advanced amateur and professional photographic market.

Surfer Publications
33046 Calle Aviador
San Juan Capistrano, California 92675
(714) 496-5733

Publishes "Surfer", "Skateboarder", "Powder" and "Rollerskating" magazines. All feature in-depth coverage of their respective sports. "Surfer" also publishes a semi-annual Surfer Photo special and special sport calendars.

Associated Concrete Products, Inc.
4301 West MacArthur Boulevard
Santa Ana, California 92704
(714) 557-7470

Designs, manufactures and distributes underground utility vaults, sewer manholes and meter boxes.

M.C.G. Industries - Circle Bolt
12135 East Slauson Avenue
Santa Fe Springs, California 90670
(213) 723-9415

Circle Bolt imports and purchases commercial fasteners and related products for distribution at wholesale and retail primarily for use in steel fabrication, equipment manufacturing, construction and maintenance.

M.C.G. Industries - BLI Management Services
27665 Forbes Rd. A
Laguna Niguel, California 92677

The Company provides consulting financial services.

U.S. Radiator Corporation
6710 South Avalon Boulevard
Los Angeles, California 90003
(213) 778-5390

Manufactures automotive radiator cores, and assembles these into rebuilt and new radiators for the automotive after market.

Transfer Agent(s):

Union Bank
3810 Wilshire Boulevard
Los Angeles, California 90010

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FBTR (NASDAQ)

Number of Stores‡ (at fiscal year end)

1979	1	1976	1
1978	1	1975	3
1977	1		

Sales and Earnings

	Net Sales +	Net Income
12/29/79	$ 39,586,000	$ 1,930,000
12/30/78	31,186,000	1,073,000
12/31/77*	12,114,000	128,000
6/30/77	18,396,000	303,000
6/30/76	18,037,000	284,000

	No. of Com. Shares	Earn. per Share ‡
12/29/79	873,089	$2.20
12/30/78	878,089	1.22
12/31/77*	881,820	0.13

6/30/77	1,028,366	0.30
6/30/76	1,028,366	0.26

* 6 months.
+ Of continuing operations.
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
12/29/79	$ 8,314,000	$9.52
12/30/78	6,397,000	7.29
12/31/77	5,261,000	5.97
6/30/77	5,341,000	5.19
6/30/76	4,942,000	4.81

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$ 39,586,000	$ 31,186,000
Other income	371,000	200,000
Total income	$ 39,957,000	$ 31,386,000
Cost of sales	25,145,000	20,101,000
Expenses	10,744,000	8,508,000
Interest expense	424,000	318,000
Income before taxes	$ 3,644,000	$ 2,459,000
Income taxes	1,572,000	1,233,000
Income from cont. oper.	$ 2,072,000	$ 1,226,000
Loss from discont. oper.	(142,000)	(153,000)
Net Income	$ 1,930,000	$ 1,073,000

* Included in Costs and Expenses, Depreciation and Amortization: $607,000 in 1979.

Assets

As of	12/29/79	12/30/78
Cash & deposits	$ 699,000	$ 465,000
Cash investments	—	666,000
Accts. receiv., net	4,685,000	4,442,000
*Inventories	7,125,000	4,786,000
Other assets	1,231,000	1,047,000
Current Assets	$ 13,740,000	$ 11,406,000
Investments	1,787,000	1,269,000
#Fixed assets	3,851,000	3,018,000
Other assets	298,000	305,000
Total Assets	$ 19,676,000	$ 15,998,000

Liabilities

Notes payable	$ —	$ 275,000
Long-term debt, curr.	535,000	379,000
Cap. lease oblig., curr.	260,000	190,000
Accts. payable	2,767,000	2,428,000
Accrued payroll	1,506,000	840,000
Income taxes	1,397,000	1,155,000
Deferred income	485,000	416,000
Other liabilities	1,223,000	1,057,000
Curr. Liabilities	$ 8,173,000	$ 6,740,000
Long-term debt	1,896,000	2,262,000
Cap. lease oblig.	677,000	281,000
Deferred inc. taxes	233,000	173,000
Other liab.	383,000	145,000
+Common stock	44,000	44,000
Add. paid-in capital	1,024,000	1,024,000
Retained earnings	7,354,000	5,512,000
Treasury stock	(32,000)	(11,000)
Cost of license rights	(76,000)	(172,000)
Total Liabilities & Shareholders' Equity	$ 19,676,000	$ 15,998,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Net Income to Equity	23.21	16.77
Sales to Inventories	5.36	6.52
Working Capital	$ 5,567,000	$ 4,666,000
Current Ratio	1.68	1.69
Shareholders' Equity	$ 8,314,000	$ 6,397,000

Forest City Enterprises, Inc.

10800 Brookpark Road
Cleveland, Ohio 44130
(216) 267-1200

Officers: Max Ratner, chairman of the board; Samuel H. Miller, vice chairman of the board, chief operating officer & treasurer; Albert B. Ratner, president & chief executive officer; Alan S. Ellett, Charles A. Ratner, Nathan Shafran, exec. v.p.'s; Paul Lipman, sr. vice president; William Warren, sr. vice president & general counsel; Lloyd T. Will, v.p. & controller; Helen F. Morgan, v.p., secretary & asst. treasurer; Gilles A.E. Stucker, v.p.-corp. planning; Harry A. Gaynor, assoc. general counsel.

Directors: Thomas J. Dillon, Samuel H. Miller, Harry O. Schloss, Jr., Albert B. Ratner, Charles A. Ratner, Max Ratner, William Serne, Jr., Nathan Shafran, J. Maurice Struchen, Alan S. Ellett, Lyman H. Treadway.

Business Activities: Engaged in real estate construction, ownership and management; land development and marketing; home building. Operates a chain of "do-it-yourself" home building supplies stores in the Cleveland-Akron; Detroit and Chicago areas. Also engaged in wholesale lumber operations and the sale of other building materials.

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): American

Ticker Symbol: FCE

Number of Stores: (at fiscal year end)

1979	20	1976	14
1978	17	1975	14
1977	17		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$269,933,000	$ 3,711,000
1979	235,264,000	7,807,000
1978	197,655,000	6,541,000
1977	154,409,000	4,072,000
1976	142,173,000	2,950,000

	No. of Com. Shares +	Earn. per Share ‡‡
1980	4,049,056	$0.92
1979	3,982,217	1.98
1978	3,976,477	1.64
1977	3,976,477	1.02
1976	3,966,477	0.73

‡ Includes operating revenues.
‡‡ Based on weighted average number of shares outstanding.
+ Common and class B common shares combined.

Revenues by Line of Business
(000's)

	1980	1979
Specialty retailing:		
Retail stores	$ 100,138	$ 91,521
Building contractors	30,817	34,678
Lumber brokerage	18,397	16,647
Merchant building & development:		
Construction contracting	111,454	85,388
Home construction	33,883	38,549
Land sales	6,825	11,578
Other	5,216	2,932
Eliminations	(36,797)	(46,029)
Total	$ 269,933	$ 235,264

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.10	—	—
1978	0.08	—	—
1977	0.05	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 55,768,000	$13.77
1979	51,355,000	12.90
1978	43,377,000	10.91
1977	37,154,000	9.34
1976	33,110,350‡	8.35

‡ After allowing for preferred stock at liquidation value of $30 per share.

Income Account *

Year ended Jan. 31	1980	1979
Net sales	$ 269,933	$ 235,264
Other income	3,212	3,452
Total income	$ 273,145	$ 238,716
Cost of sales	185,812	157,900
Expenses	70,827	61,077
Interest expense	11,452	7,908
Income bef. taxes	$ 5,054	$ 11,831
Income taxes	1,927	4,702
Equity in earnings-rental prop.	(584)	(678)
Net Income	$ 3,711	$ 7,807

* Included in Costs and Expenses, Depreciation and Amortization: $5,189,000 in 1980 and $3,480,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 9,819	$ 10,298
Accts. receiv., net	80,388	65,903
Due from affiliates	26	23
Refund. inc. taxes	1,128	—
* Inventories	59,523	62,140
Prepaid expenses	1,696	956
Current Assets	$ 152,580	$ 139,320
Real estate for sale & develop.	58,742	56,276
Investments	2,667	2,265
# Fixed assets	14,072	11,822
Other assets	2,529	1,771
Total Assets	$ 230,590	$ 211,454

Liabilities

Notes & loans payable	$ 19,338	$ 23,912
Long-term debt, curr.	19,651	8,280
Accts. payable & accruals	75,798	64,108
Income taxes	214	2,441
Deferred inc. taxes	2,025	609
Curr. Liabilities	$ 117,026	$ 99,350
Long-term debt	40,541	46,018
Other liabilities	13,727	10,904
Deferred inc. taxes	3,528	3,827
+ Common stock	2,699	2,655
Add. paid-in capital	8,114	7,051
Retained earnings	44,955	41,649
Total Liabilities & Shareholders' Equity	$ 230,590	$ 211,454

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.66-⅔ par value.

Forest City Enterprises, Inc.

Statistical Summary

%Income bef. Taxes to Sales	1.87	5.03
%Net Income to Sales	1.37	3.32
%Net Income to Equity	6.65	15.20
Working Capital	$ 35,544,000	$ 39,970,000
Current Ratio	1.30	1.40
Shareholders' Equity	$ 55,768,000	$ 51,355,000

Fox-Stanley Photo Products, Inc.

8750 Tesoro Drive
San Antonio, Texas 78286
(512) 828-9111

Officers: Stanley Wurtz, chairman of the exec. committee; Carl D. Newton, Jr., chairman of the board; Carl D. Newton III, president; Clayton G. Severance, Gary Greenberg, L.J. Miller, William F. Paul, William E. Kirkman, Michael J. Kelly, sr. v.p.'s; William C. Maddox, v.p. & treasurer; James M. Grant, secretary.

Directors: Stanley Wurtz, Carl D. Newton, Jr., Donald W. Becker, John M. Parker, Morris H. Wright, Clayton G. Severance, Richard T. Davis, Carl D. Newton III, Gene Engleman, Maxwell H. Sroge.

Business Activities: Operates a chain of camera and photoprocessing-photo finishing stores. These stores operate under the name "Fox Photo". Also conducts a mail order photofinishing business and wholesale photofinishing operations. Also operates retail stores specializing in greeting cards and party goods. These stores are called Hallmark Card and Gift Stores.

Acquisition(s):

Cline Photo, Inc.
Chattanooga, Tennessee

Card and Quill, Inc.
Corpus Christi, Texas

Transfer Agent(s):

The Alamo National Bank of San Antonio
San Antonio, Texas

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: FSP

Number of Retail Units: (at fiscal year end)

1979	478	1976	368
1978	427	1975	320
1977	556		

Sales and Earnings

	Net Sales	Net Income
1979	$115,684,226	$ 5,515,186
1978	92,233,130	4,328,040
1977	79,945,710	2,372,431
1976	69,444,528	3,748,661
1975	71,756,209	3,211,367

	No. of Com. Shares +	Earn. per Share‡
1979	3,468,112	$1.60
1978	3,387,962	1.28
1977	3,397,962	0.70
1976	3,409,989	1.10
1975	3,463,709	0.93

‡ Based on the weighted average number of common shares outstanding.
+ Average number of shares outstanding.

Revenues by Line of Business

	1979	1978
Non-retail photo	$ 64,523,000	$ 54,375,000
Retail photo	40,360,000	30,313,000
Retail card & gift	10,801,000	7,545,000
Total	$115,684,000	$ 92,233,000

Common Stock

	Cash Dividend	Stock Divdend	Stock Split
1979	$0.60	—	—
1978	0.50	—	—
1977	0.50	—	—
1976	0.39	—	—
1975	0.36	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 39,968,651	$11.52
1978	35,855,123	10.58
1977	33,221,065	9.81
1976	32,542,832	9.61
1975	30,446,973	8.88

Income Account*

Year ended March 31	1979	1978
Net sales	$115,684,226	$ 92,233,130
Cost of sales	59,742,106	48,366,163
Expenses	47,650,934	36,533,865
Oper. profit	$ 8,291,186	$ 7,333,102
Other income	2,665,182	2,098,896
Total	$ 10,956,368	$ 9,431,998
Interest expense	1,090,864	713,214
Other charges	286,102	415,950
Income before taxes	$ 9,579,402	$ 8,302,834
Income taxes	4,064,216	3,974,794
Net Income	$ 5,515,186	$ 4,328,040

* Included in Costs and Expenses, Depreciation and Amortization: $4,135,258 in 1979 and $2,851,201 in 1978.

Assets

As of March 31	1979	1978
Cash	$ 2,100,311	$ 4,410,870
Accts. receiv., net	6,265,767	4,665,008
*Inventories	8,736,792	5,643,649
Prepaid expenses	831,927	580,560
Current Assets	$ 17,934,797	$ 15,300,087
#Fixed assets	29,378,955	19,764,247
Other assets	1,311,997	1,017,567
Intangibles	16,342,290	16,095,146
Total Assets	$ 64,968,039	$ 52,177,047

Liabilities

Long-term debt, curr.	$ 1,673,044	$ 426,210
Accts. payable & accruals	9,853,259	7,135,651
Income taxes	34,868	1,871,253
Curr. Liabilities	$ 11,561,171	$ 9,433,114
Long-term debt	12,429,494	6,344,580
Deferred inc. taxes	1,008,723	544,230
+Common stock	3,493,930	3,491,780
Add. paid-in capital	6,994,602	6,903,369
Retained earnings	29,687,064	26,228,389
Treasury stock	(206,945)	(768,415)
Total Liabilities & Shareholders' Equity	$ 64,968,039	$ 52,177,047

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.28	9.00
%Net Income to Sales	4.77	4.69
%Net Income to Equity	13.80	12.07
Sales to Inventories	13.24	16.34
Working Capital	$ 6,373,626	$ 5,866,973
Current Ratio	1.55	1.62
Shareholders' Equity	$ 39,968,651	$ 35,855,123

Frank's Nursery Sales, Inc.

6399 E. Nevada Avenue
Detroit, Michigan 48234
(313) 366-8400

Officers: I. William Sherr, president & treasurer; Ramon M. Brinkman, William C. Boyd, Arthur S. Brickner, Arnold A. Bernstein, Willard A. Purchase, Marvin M. Wain, v.p.'s; Francis R. Coseo, v.p. & controller; Jeffrey M. Leib, secretary.

Directors: I. William Sherr, Ramon M. Brinkman, Richard D. Rohr, Harvey Kleiman, Edith Weinberg, Jeffrey M. Leib.

Business Activities: Operates a chain of stores in 15 metropolitan markets in Michigan, Ohio, Indiana, Illinois, Maryland and Minnesota. Frank's Nursery and Crafts stores which sell plants, bulbs and seeds; lawn and garden supplies; garden tools and equipment; patio and barbecue merchandise; artificial flowers and arrangements; yarn, art needlework, candles, and open stock material for wood, casting, decor, and boutiquing crafts; Christmas trees and decorations.

Transfer Agent(s):

The Detroit Bank & Trust Company
Detroit, Michigan 48231

Morgan Guaranty Trust Co. of New York
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: FKS

Number of Stores: (at fiscal year end)

1979	76	1976	60
1978	70	1975	54
1977	67		

Sales and Earnings

	Net Sales	Net Income
1979	$100,355,245	$ 3,632,998
1978	84,566,058	3,204,910
1977	74,089,327	2,957,069
1976	63,513,226	2,423,000
1975	52,383,511	1,892,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,278,000	$1.59
1978	2,265,000	1.42
1977	2,263,000	1.31
1976	2,262,000	1.07
1975	2,236,000	0.85

‡ Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$0.35	—	—
1978	0.31	—	3-for-2‡
1977	0.26	—	—
1976	0.23	—	—
1975	0.21	—	—

‡ In the form of a 50% stock dividend.
† Adjusted to reflect stock split.

Fred Meyer, Inc.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 20,423,536	$8.96
1978	17,547,000	7.73
1977	15,014,000	6.63
1976	12,639,000	5.59
1975	10,813,000	4.84

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$100,355,245	$ 84,566,058
Cost of sales	58,358,047	49,580,598
Expenses	33,399,485	27,349,061
Interest expense	2,051,715	1,846,489
Income before taxes	$ 6,545,998	$ 5,789,910
Income taxes	2,913,000	2,585,000
Net Income	$ 3,632,998	$ 3,204,910

* Included in Costs and Expenses. Depreciation and Amortization: $2,383,833 in 1979 and $2,071,342 in 1978.

Assets

As of Dec. 31	1979	1978
Cash & temp. invest.	$ 3,962,069	$ 7,153,969
Accts. receiv., net	2,635,070	1,593,281
*Inventories	14,111,381	11,571,489
Prepaid expenses	183,637	266,825
Current Assets	$ 20,892,157	$ 20,585,564
#Fixed assets	20,479,422	17,038,087
Leased prop. under cap. leases	9,720,998	8,456,800
Other assets	324,250	236,001
Total Assets	$ 51,416,827	$ 46,316,452

Liabilities

Long-term debt., curr.	$ 778,034	$ 752,658
Accts. payable	6,044,097	5,488,186
Por. of oblig. under cap. lease due within one year	360,450	364,050
Accrued payroll & other expenses	3,873,366	3,434,183
Curr. Liabilities	$ 11,055,947	$ 10,039,077
Long-term debt	8,614,220	9,007,024
Oblig. under cap. leases	10,713,124	9,257,989
Deferred inc. taxes	610,000	465,000
+Common stock	2,280,596	2,269,971
Add. paid-in capital	1,084,918	1,054,840
Retained earnings	17,058,022	14,222,551
Total Liabilities & Shareholders' Equity	$ 51,416,827	$ 46,316,452

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.52	6.85
%Net Income to Sales	3.62	3.79
%Net Income to Equity	17.79	18.26
Sales to Inventories	7.11	7.31
Working Capital	$ 9,836,210	$ 10,546,487
Current Ratio	1.89	2.05
Shareholders' Equity	$ 20,423,536	$ 17,547,362

Fred Meyer, Inc.

3800 Southeast 22nd Avenue
Portland, Oregon 97202
(503) 235-8844

Officers: Oran B. Robertson, chairman of the board, executive committee & chief executive officer; Cyril K. Green, president & principal operating officer; Virgil F. Campbell, executive v.p.; C. Dale Warman, executive v.p.; Jerry Sadis, sr. v.p.-finance & secretary; Gary L. Baker, Alan D. Ferguson, Donald Tripp, Larry Ofstedahl, C.R. Radford, sr. v.p.'s; Pauline W. Lawrence, Ed Davoob, Thomas Hughes, Richard H. Dehaan, Gordon Deeds, Ronald K. Johnson, v.p.'s; Jean S. Webb, Henry Hewitt, asst. secretaries; Robert Bruner, James Blanton, William Ditty, Ray Glover, Ronald Huebner, Carolyn Kay, John Lesser, Bruno Mecalis, Robert McCauley, Eric Nelte, Harold Peterson, Robert Roles, Albena Skubic, William Stumph, Ronald D. Skeels, Robert Silva, Roger Tabler, Marty Tassoni, Roy Whitman, Steve Zimmer, asst. v.p.'s.

Directors: Rollin H. Killoran*, Oran B. Robertson*, Earle A. Chiles*, Paul L. Boley, Cyril K. Green*, Virgil F. Campbell*, Warne Nunn, C. Dale Warman*, Howard Burnett, Pauline Lawrence, Gerry Pratt*, Tod McClaskey, Earle M. Chiles, Jerry Sadis*.

*Member of Executive Committee.

Business Activities: Operates shopping centers and department stores selling apparel, food, drugs, and a variety of hardware and household needs in Washington, Oregon, Alaska and Montana. Also operates a wholesale business (Roundup Company), and food processing operations. Stores operate under the names Fred Meyer Shopping Centers, B & B Supermarkets and Consumer Warehouse Stores. Also operates Fred Meyer Savings and Loan Association in Oregon and Alaska.

Subsidiaries:

Roundup Co.
B & B Stores, Inc.
Sun Laboratories, Inc.
CB&S Advertising Agency, Inc.
Fred Meyer Properties, Inc.
Fred Meyer Savings & Loan Association
Fred Meyer of Alaska, Inc.

Mailing address for the above:

3800 S. E. 22nd Avenue
Portland, Oregon 97202

Acquisition(s):

F.G.M. Realty Co.

Transfer Agent(s):

The Bank of California, N.A.
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MEYRA (NASDAQ)

Number of Stores: (at fiscal year end)

1979	63	1976	60
1978	61	1975	62
1977	61		

Sales and Earnings

	Net Sales	Net Income
1979	$1,060,203,000	$ 22,380,000
1978	927,110,000	20,881,000
1977	822,477,574	17,137,000
1976	749,598,768	14,184,000
1975*	644,917,424	12,197,000

	No. of Com. Shares #	Earn. per Share #
1979	6,600,357	$3.39
1978	6,433,053	3.25
1977	6,324,984	2.71
1976	6,276,360	2.26
1975	6,245,277	1.95

* 53 weeks.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.515	3%	—
1978	0.44	3%	—
1977	0.38	—	—
1976	0.34	—	—
1975	0.31	—	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$156,764,000	$23.75
1978	134,135,000	20.85
1977	111,953,000	17.70
1976	95,756,000	15.26

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 1,060,203	$ 927,110
Cost of sales	815,717	716,372
Expenses	196,430	169,469
Other income	(3,048)	(2,547)
Interest expense	10,234	9,269
Minority interest	301	148
Income before taxes	$ 40,569	$ 34,399
Income taxes	17,950	15,589
Equity unconsol. subsid.	239	(2,071)
Net Income	$ 22,380	$ 20,881

* Included in Costs and Expenses. Depreciation and Amortization: $17,639,000 in 1979 and $14,563,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 17,289	$ 6,136
Receiv., net	11,113	12,894
*Inventories	126,978	107,874
Prepaid expenses	1,103	1,439
Current Assets	$ 156,483	$ 128,343
Investments	204,808	179,843
#Fixed assets	18,638	13,981
Prop. held under cap. leases	18,359	12,780
Minority interest	8,449	3,110
Total Assets	$ 406,737	$ 338,057

Liabilities
(000's)

Long-term debt & cap. lease oblig., curr.	$ 10,836	$ 2,739
Accts. payable	82,418	67,141
Accruals	16,167	13,208
Dividends payable	933	790
Income taxes	8,417	4,409
Curr. Liabilities	$ 118,771	$ 88,287
Mortgage pay.	87,755	76,505
Cap. lease oblig.	20,415	15,527
Conv. subord. deben.	8,503	11,215
Minority interest	2,252	1,951
Deferred inc. taxes	12,277	10,437
+Common stock	48,020	41,267
Add. paid-in capital	14,984	12,459
Retained earnings	93,760	80,409
Total Liabilities & Shareholders' Equity	$ 406,737	$ 338,057

* At LIFO.
# Less accumulated depreciation & amortization.
+ No par value; Class A and Class B combined.

Fred Meyer, Inc.

Statistical Summary

%Income bef. Taxes to Sales	3.83	3.71
%Net Income to Sales	2.11	2.25
%Net Income to Equity	14.28	15.57
Sales to Inventories	8.35	8.59
Working Capital	$ 37,712,000	$ 41,056,000
Current Ratio	1.32	1.45
Shareholders' Equity	$156,764,000	$134,135,000

Frederick's of Hollywood, Inc.

P.O. Box 471
6608 Hollywood Boulevard
Hollywood, California 90028
(213) 466-5151

Officers: Frederick N. Mellinger, president & chairman of the board; Robert W. Hansen, Joseph A. Nussbaum, v.p.'s; John E. Robinson, secretary & treasurer; Ronald A. Pearson, asst. treasurer; William Wallace general counsel.

Directors: Frederick N. Mellinger, chairman; Morton R. Field, Harriett Mellinger, Hugh Hunter, Harold Furst, Richard O. Starbird.

Business Activities: Engaged in the retail sale of women's wearing apparel through stores and mail order.

Transfer Agent(s):

Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FHOL (NASDAQ)

Number of Stores: (at fiscal year end)

1979	116	1976	103
1978	111	1975	94
1977	110		

Sales and Earnings

	Net Sales	Net Income
1979	$ 27,941,000	$ 1,027,000
1978	25,654,000	881,000
1977	24,037,403	668,422
1976	24,049,748	1,457,038
1975	21,406,354	1,131,308

	No. of Com. Shares	Earn. per Share #
1979	1,403,000	$0.73
1978	1,395,000	0.63
1977	1,387,450	0.48
1976	1,383,750	1.05
1975	1,383,750	0.82

Adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.32	—	—
1978	0.32	—	—
1977	0.34	—	—
1976	0.20	—	—
1975	0.10	2½%	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 8,621,000	$6.14
1978	8,018,000	5.75
1977	7,556,159	5.44
1976	7,346,480	5.31
1975	6,166,192	4.46

Income Account *

Year ended	8/31/79	9/1/78
Net Sales	$ 27,941,000	$ 25,654,000
Cost of sales	15,276,000	14,190,000
Expenses	10,886,000	9,912,000
Other income	(192,000)	(104,000)
Income before taxes	$ 1,971,000	$ 1,656,000
Income taxes	944,000	775,000
Net Income	$ 1,027,000	$ 881,000

* Included in Costs and Expenses. Depreciation and Amortization: $444,000 in 1979 and $443,000 in 1978.

Assets

As of	8/31/79	9/1/78
Cash	$ 4,155,000	$ 3,038,000
Accts. receiv., net	202,000	283,000
* Inventories	2,812,000	2,921,000
Prepaid expenses	836,000	752,000
Investments	299,000	343,000
Current Assets	$ 8,304,000	$ 7,337,000
# Fixed assets	2,989,000	3,000,000
Other assets	62,000	48,000
Total Assets	$ 11,355,000	$ 10,385,000

Liabilities

Accts. payable	$ 2,044,000	$ 1,603,000
Accruals	434,000	382,000
Income taxes	120,000	240,000
Curr. Liabilities	$ 2,598,000	$ 2,225,000
Deferred inc. taxes	136,000	142,000
+ Common stock	1,403,000	1,395,000
Add. paid-in capital	95,000	79,000
Retained earnings	7,123,000	6,544,000
Total Liabilities & Shareholders' Equity	$ 11,355,000	$ 10,385,000

* At lower of cost (by retail method) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.05	6.46
%Net Income to Sales	3.68	3.43
%Net Income to Equity	11.91	10.99
Sales to Inventories	9.34	8.78
Working Capital	$ 5,706,000	$ 5,112,000
Current Ratio	3.20	3.30
Shareholders' Equity	$ 8,621,000	$ 8,018,000

Friendly Frost Inc.

123 Frost Street
Westbury, New York 11590
(516) 334-8100

Officers: Stephen S. Smith, chairman of the board; Daniel Schmier, president; Sidney Horne, Patrick J. Davis, Bernard Dubler, Milton Brown, vice presidents; Abe Chapnick, treasurer; Howard Roseman, secretary & general counsel.

Directors: Milton Brown, Bernard Dubler, Patrick J. Davis, Sidney Horne, Frank Perloff, Daniel Schmier, Stephen S. Smith.

Business Activities: Engaged in the retail and broadcasting businesses. The retail business consists of (1) a chain of 30 retail home appliance stores operated under the name "Friendly Frost Appliance Stores" and "Churchill Audio Centers," located throughout the greater metropolitan New York area and (2) a chain of 15 retail garden centers located throughout Queens and Long Island, New York, operated under the name of "Friendly Frost Garden Centers." The broadcasting business consists of an FM stereo broadcasting station (WTFM) serving the greater metropolitan New York area. The Company is also a franchised distributor of commercial coin-operated laundry equipment.

Divisions & Subsidiaries:

Friendly Frost Appliance Stores
Churchill Stereo Corp.
Friendly Frost Garden Centers
WTFM, Inc.
Laundercenter Division
Friendly Frost Carpet Centers

Transfer Agent(s):

Continental Stock Transfer Corp.
19 Rector Street
New York, New York 10006

Stock Exchange(s): American, Phila-Balt-Wash.

Ticker Symbol: FF

Number of Stores: (at fiscal year end

1979	45	1976	59
1978	50	1975	61
1977	57		

Sales and Earnings

	Net Sales‡	Net Income
1980*	$ 41,192,000	$ (1,570,000)
1979	46,529,000	(1,326,000)
1978	45,859,000	(443,000)
1977	43,530,365	(178,000)
1976	42,661,517	257,000

	No. of Com. Shares	Earn. per Share #
1980	1,056,526	$ —
1979*	1,056,526	—
1978	1,047,026	—
1977	1,021,026	—
1976	1,021,026	0.25

(Loss)
* 53 weeks.
‡ Includes other revenues.
# Based on weighted average number of common shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Retail prods.:		
Appliance & related products	$ 22,505	$ 25,142
Audio equip.	7,742	8,321
Garden & nursery	7,325	9,843
Broadcasting	1,743	1,661
Commercial laundry equip.	1,877	1,562
Total	$ 41,192	$ 46,529

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 2,470,290	$2.34
1979	4,040,095	3.82
1978	5,346,901	5.11

Income Account

Year ended	2/3/80 (53 weeks)	1/28/79
Net sales & oper. revenues	$ 41,192,047	$ 46,529,090
Other income	717,462	599,153
Total income	$ 41,909,509	$ 47,128,243
Cost of sales	29,094,440	34,393,536
Expenses	12,176,298	12,148,713
Depreciation and amortization	655,324	637,644
Interest expense	382,573	318,139

Misc. taxes	848,427	873,952
Loss before taxes	$ (1,247,553)	$ (1,243,741)
Income taxes	110,430	50,447
Loss from cont. oper.	$ (1,357,983)	$ (1,294,188)
Loss from discont. oper.	(211,822)	(31,618)
Net Loss	$ (1,569,805)	$ (1,325,806)

Assets

As of	2/3/80	1/28/79
Cash	$ 1,120,908	$ 1,206,545
Temp. invest.	165,957	122,360
Receiv., net	768,872	1,070,052
* Inventories	7,941,524	7,846,851
Real. prop. sold	—	173,522
Prepaid expenses & other assets	352,259	438,941
Current Assets	$ 10,349,520	$ 10,858,271
# Fixed assets	2,872,723	2,528,333
Prop. under cap. leases	925,339	1,350,693
Other assets	494,028	679,183
Total Assets	$ 14,641,610	$ 15,416,480

Liabilities

Notes payable	$ 825,499	$ 1,149,384
Long-term debt, curr.	152,755	178,599
Cap. lease oblig., curr.	418,855	439,335
Accts. payable	6,433,303	5,856,293
Accruals	765,734	803,947
Customer deposits	536,182	630,413
Curr. Liabilities	$ 9,132,328	$ 9,057,971
Long-term debt	2,003,257	709,114
Cap. lease oblig.	1,035,735	1,601,731
Minority interest		7,569
+ Common stock	113,573	113,573
Add. paid-in capital	2,029,795	2,029,795
Retained earnings	454,279	2,024,084
Treasury stock	(127,357)	(127,357)
Total Liabilities & Shareholders' Equity	$ 14,641,610	$ 15,416,480

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Working Capital	$ 1,217,192	$ 1,800,300
Current Ratio	1.13	1.20
Shareholders' Equity	$ 2,470,290	$ 4,040,095

Fuqua Industries, Inc.

3800 First National Bank Tower
Atlanta, Georgia 30303
(404) 658-9000

Officers: J.B. Fuqua, chairman of the board & chief exec. officer; C.L. Patrick, Joseph A. Gammon, vice chairmen; K.W. Slayden, president & chief operating officer; Lawrence P. Klamon, sr. v.p.-finance & admin.; James T. Hite III, exec. v.p.; B.L. Goldberg, group v.p.; James M. Bahin, v.p.-controller; Roderick A. Dowling, v.p. & general counsel; David S. Fraser, v.p.-treasurer; John C. McCune, v.p.-operations; Samuel W. Norwood, III, v.p.-corp. development; C. Glenn McCort, v.p.-taxes; Winona R. Warner, v.p.-administrative services; Thomas J. Hennesy, Robert S. Prather, Jr., v.p.'s; Hiram M. Nowlan, Jr., secretary; John F. Bartels, asst. controller; Mildred H. Hutcheson, v.p.-corporate legal services; Paul N. Kiel, asst. general counsel; Michael A. Mitchell, asst. treasurer; Indra K. Broad, asst. v.p. & asst. to chairman.

Directors: J.B. Fuqua*, C.L. Patrick, Joseph A. Gammon, Bernard H. Barnett, James T. Hite, III*, Frank W. Hulse, Carl E. Sanders*, K.W. Slayden*, William R. Smith, Robert H. Dedman, Harry H. Wise, Jr., Paul E. Yarbrough, Jr., L.P. Klamon.

* Member of Executive Committee.

Business Activities: A multi-market manufacturing and service company with operations in the areas of farm and home products, recreational product services, transportation, and other operations. Operates retail stores under the names of TSC, Big Bear and Robertson's, which sell consumer goods for farm, home, and auto needs of rural and suburban customers.

Retail Subsidiaries:

TSC Industries
Farm, Home and Auto Stores
Discount Department Stores
915 Murfreesboro Road
Nashville, Tennessee 37217

Transfer Agent(s):

The Chase Manhattan Bank, N.A. (common & preferred stock)
New York, New York

The Crocker National Bank
San Francisco, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: FQA

Number of Stores: (at fiscal year end)

1979	180	1977	237
1978 *	200		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1979	$ 2,056,824	$ 66,602
1978	1,643,364	29,888
1977	631,733	16,456
1976	535,851	13,629
1975	505,719	(17,656)

	No. of Com. Shares‡	Earn. per Share‡
1979	13,000,000	$5.11
1978	12,679,000	2.25
1977	9,452,000	1.71
1976	8,751,000	1.50
1975	8,551,000	—

(Loss)
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Petroleum dist.	$ 869,700	$ 502,600
Transportation	306,300	290,700
Farm & home prods.	348,400	300,500
Recreational prods. & serv.	306,800	268,500
Other oper.	186,300	170,300
Discont. bus.	39,300	110,800
Total	$ 2,056,800	$ 1,643,400

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	—	—
1978	0.44	—	—
1977	0.40	—	—
1976	0.32	—	—

Common Stock Equity

	Total Equity	Equity Per Share†
1979	$256,009,000*	$19.69
1978	199,112,000 + *	15.70
1977	160,606,000 +	16.99

+ After allowing for preference stock at liquidation preference of $15 per share.
* After allowing for Series A and Series B preferred stock at involuntary liquidation values.
† Based on the average number of shares outstanding.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales & revenues	$ 2,056,824	$ 1,643,364
Cost of sales	1,643,124	1,381,768
Expenses	234,030	171,626
Interest expense	40,660	34,172
Other expense (income)	14,120	(613)
Income before taxes	$ 124,890	$ 56,411
Income taxes	58,288	26,523
Net Income	$ 66,602	$ 29,888

* Included in Costs and Expenses, Depreciation and Amortization: $33,084,000 in 1979 and $30,200,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 137,755	$ 60,351
Receivables	235,358	176,516
*Inventories	171,077	169,198
Prepaid expenses	9,190	8,294
Current Assets	$ 553,380	$ 414,359
Notes receiv.	21,964	28,847
Investments	33,074	22,821
# Fixed assets	252,260	225,968
Operating rights	24,333	24,572
Intangibles	40,785	44,986
Total Assets	$ 925,796	$ 761,553

Liabilities
(000's)

Notes payable	$ 10,113	$ 30,112
Long-term debt, & cap. lease oblig., curr.	7,549	8,897
Accts. payable & accruals	211,085	208,979
Income taxes	57,535	18,393
Curr. Liabilities	$ 286,282	$ 266,381
Long-term debt., & cap. lease oblig.	207,068	132,598
Subord. debt	139,675	129,696
Deferred inc. taxes	14,941	11,761
+ + Preferred Stock		
Series A	28	30
Series B	818	778
+ Preference stock	—	1,172
+ + Common stock	13,690	13,628
Add. paid-in capital	90,463	90,967
Retained earnings	186,111	127,822
Treasury stock	(13,280)	(13,280)
Total Liabilities & Shareholders' Equity	$ 925,796	$ 761,553

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.07	3.43
%Net Income to Sales	3.24	1.82
%Net Income to Equity	23.97	13.52
Working Capital	$267,098,000	$147,978,000
Current Ratio	1.93	1.56
Shareholders' Equity	$277,830,000	$221,117,000

Gamble-Skogmo, Inc.

5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6123

Officers: Walter H. Davies, Jr., chairman of the board & chief financial officer; Wayne E. Matschullat, president & chief executive officer; Robert E. Craighead, sr. v.p.; Herbert D. Froemming, sr. v.p. & controller; vice presidents: Bruce F. Antenberg-finance, Carle R. Wunderlich, Stanley J. Edwards -distribution, William A. Hickey -personnel, Frank T. Matthews-store design, construction and real estate, Donald G. Dreblow-public relations, Lee G. Swygman-credit; David A. Heider, vice president & asst. to the chairman; C. H. Gauck, v.p., secretary & general counsel; N. M. Steck, v.p. & treasurer; Paul P. Senio, v.p.-taxation; Peter V. Barrington, John H. Stubstad, Richard B. Miller, asst. vice presidents; Daniel J. McAthie, asst. controller; Dennis E. McCardle, asst. controller-tax compliance; William E. Oppenheimer, asst. secretary.

Directors: W. H. Davies, Jr.*, A. G. Johnson*, B. I. Robbins, Wayne E. Matschullat*, George S. Moore, Robert Craighead, Mel Roth, C. R. Wunderlich, Ellsworth L. Johnson, Wenda Weekes Moore, Philip B. Harris*

* Member of Executive Committee.

Business Activities: Merchandises a wide variety of products at retail through company-operated stores and through mail order catalogs and at wholesale to independent franchised dealers. Certain subsidiaries and divisions are engaged in other activities that primarily serve the merchandising business. The General Merchandise Group operates department stores under various names, and McDonald Department Stores; the Gambles House of Fabrics Division comprised of stores handling fabrics, accessories and sewing notions, operating principally under the name House of Fabrics (company-owned); the Mode O'Day Division comprised of Mode O'Day stores (company-owned and franchised) and Double Up stores which handle low-priced lines of women's apparel and accessories; Leath & Maxwell full service furniture stores located in the Midwest with outlets primarily in the Carolinas and Florida; Gamble (company-owned and franchised hardlines stores); Rasco Division comprised of variety stores operating under the names Rasco and Rasco-Tempo (company-owned and franchised), toy stores operating under the name Toy World, and Women's World stores, specialty, large-size women's apparel shops; Howard's Brand Discount, comprised of 95 stores merchandising top quality, national brand products at discount prices in 10 "Sunbelt" states.

Canadian operations consist of Macleods Division of Macleod Stedman Limited, a subsidiary of Gambles Canada Limited, and is comprised principally of stores (Macleod stores, both company-owned and franchised) handling primarily hardlines, but also includes three mass merchandising stores operated under the name Gambles in Winnipeg. The Stedmans Division of the same subsidiary is comprised of variety and softlines stores (Stedman stores, both company-owned and franchised).

The Food and Drug Group consists of Red Owl Stores, Inc., and its drug store subsidiary which operate and supply Red Owl food stores and Snyder's drug stores (both company-owned and franchised). The food stores include Red Owl Family Centers that offer both food and drug merchandise as well as selected hardline and softline products.

Aldens, Inc. operates a catalog sales business through direct catalog distribution by mail. The Company also offers financing, insurance and other service activities which primarily serve and support the company's merchandising activities.

Divisions & Subsidiaries:

Aldens, Inc.
5000 West Roosevelt Road
Chicago, Illinois 60607
(312) 854-4112
Offers mail order and catalog sales merchandise, emphasizing fashion and specialty products.

Howard Bros. Discount Stores, Inc.
3030 Aurora
Monroe, Louisiana 71201
(318) 387-6471

J. M. McDonald Co.
2635 West Second Street
Hastings, Nebraska 68901
(402) 463-6881
Operates and offers franchises for McDonalds Department Stores.

Leath and Company/Maxwell Home Furnishings
7111 North Lincoln Avenue
Chicago, Illinois 60646
(312) 675-1980
Full service furniture stores located in the Midwest combined with Maxwell Home Furnishings outlets, primarily in the Carolinas and Florida.

Gamble Department Stores, Inc.
5000 West Roosevelt Road
Chicago, Illinois 60607
(312) 854-3966
Operates conventional department stores.

Gambles Datamation Corporation
2709 North Ontario Street
Burbank, California 91504
(213) 843-3773
Performs corporate import buying services.

Aristar, Inc.
201 Alhambra Circle
P.O. Box 343781
Coral Gables, Florida 33134
(305) 442-6700

John Alden Life Insurance Co.
300 Sevilla Avenue, Suite 3-T
Coral Gables, Florida 33134
(350) 442-6931
Offers life, health and credit insurance.

Gamble Alden Agency, Inc.
300 Sevilla Ave., Suite 3-T
Coral Gables, Florida 33134
(305) 442-6931
Markets multiple-line insurance coverages.

Gambles C & M Leasing Company
5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6166
Leases motor vehicles to fleet operators.

Macleods
1530 Gamble Place
Winnipeg, Manitoba, Canada R3T 1N6
(204) 453-9511
Operates Macleod general merchandise and mass merchandising stores; services Macleod franchised stores.

Mode O'Day Company
2130 North Hollywood Way
Burbank, California 91505
(213) 843-4340
Operates and franchises dress shops; operates factories.

Rasco Stores, Inc.
2777 North Ontario Street
Burbank, California 91504
(213) 843-3773
Operates and franchises variety stores, mass merchandising stores and toy stores.

Red Owl Stores, Inc.
215 Excelsior Avenue East
Hopkins, Minnesota 55343
(612) 932-2395
Operates and franchises food stores.

Snyder Drug Stores, Inc.
215 Excelsior Avenue East
Hopkins, Minnesota 55343
(612) 932-2432
Operates and franchises Snyder drug stores.

Stedmans
P.O. Box 7622
Toronto, Ontario L4K 1C4 Canada
(416) 669-1810
Operates Stedmans variety stores, services Stedmans franchised stores.

Gamble Stores Division
5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6256
Operates and franchises hardlines stores.

Gamble Development Company
5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6611
Manages or owns and operates five shopping centers.

Gambles Datamation Center
2709 N. Ontario Street
Burbank, California 91504
(213) 843-3773
Offers computer programming service to Gambles and other companies.

Gambles International Leasing Corporation
5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6166
Leases plant and office equipment to commercial and industrial companies.

Woman's World Shops, Inc.
8000 Parkway Drive
La Mesa, California 92041
(714) 460-5902
Operates women's ready-to-wear shops.

Gambles Credit Corporation
One East First Street
Suite 1401
Reno, Nevada 89504
(305) 442-6700
Purchases receivables from the parent company, its subsidiaries and its franchised dealers.

Blazer Financial Services
201 Alhambra Circle
Coral Gables, Florida 33134
(305) 442-6700

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: GSK

Number of Co-owned Stores: (at fiscal year end)

1980	907	1977	676
1979	861	1976	689
1978	668		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,053,003	$ 31,184
1979	1,954,644	23,224
1978	1,634,122	9,764
1977	1,590,372	18,210
1976*	1,559,043	22,374
	No. of Com. Shares	**Earn. per Share ‡**
1980	4,163,215	$7.52
1979	4,036,034	5.47
1978	4,298,628	2.04
1977	4,446,315	3.86
1976*	4,416,580	4.77

* 53 weeks.
‡ Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.50	–	–
1979	1.40	–	–
1978	1.40	–	–
1977	1.40	–	–
1976	1.40	–	

Common Stock Equity

	Total Equity	Equity Per Share
1980	$247,398,000	$59.42
1979	218,129,000	54.05

Income Account
(000's)

Year ended	1/26/80	1/27/79
Net sales	$ 2,053,003	$ 1,954,644
Cost of sales	1,529,600	1,480,415
Expenses	407,911	375,216
Depreciation & amortization	21,298	19,800
Interest expense	74,283	60,208
Other income	(2,169)	(2,881)
Income before taxes	$ 22,080	$ 21,886
Income taxes	9,681	9,296
Minority interest	(18,785)	(10,634)
Net Income	$ 31,184	$ 23,224

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 104,729	$ 84,066
Receiv., net	51,588	59,271
*Inventories	361,890	352,611
Prepaid expenses	18,830	18,799
Current Assets	$ 537,037	$ 514,747
Investments	274,380	250,021
≠Fixed assets	193,734	168,868
Defer. charges & other assets	31,614	27,514
Intangibles	39,754	42,866
Total Assets	$ 1,076,519	$ 1,004,016

Liabilities
(000's)

Commercial paper	$ 21,704	$ 31,498
Long-term debt, curr.	36,414	21,359
Accts. payable & accruals	203,388	190,232
Income taxes	10,490	6,961
Deferred inc. taxes	60,168	62,797
Curr. Liabilities	$ 332,164	$ 312,847
Long-term debt	204,619	183,237
Subord. inc. notes	258,215	251,843
Deferred credits	7,398	5,815
Exc. of eq. over purch. price	16,926	17,362
+Preferred stock	10,124	10,418
+ +Preferred stock	5,433	10,123
Preferred treas. stock	(5,758)	(5,758)
+ + +Common stock	59,018	54,033
Retained earnings	248,761	224,292
Receiv. for stock sold	(3,928)	(5,029)
Unreal. loss on mark. eq. sec.	(2,142)	(823)
Treasury stock	(54,311)	(54,344)
Total Liabilities & Shareholders' Equity	$ 1,076,519	$ 1,004,016

* At lower of cost (FIFO) or realizable market.
≠ Less accumulated depreciation.
+ $40 par value; $1.75 cumulative convertible.
+ + $5 par value; $1.60 cumulative convertible.
+ + + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.08	1.12
%Net Income to Sales	1.52	1.19
%Net Income to Equity	12.60	10.65
Sales to Inventories	5.67	5.54
Working Capital	$204,873,000	$201,900,000
Current Ratio	1.62	1.65
Shareholders' Equity	$247,398,000	$218,129,000

The Gap Stores, Inc.

P.O. Box 60
900 Cherry Avenue
San Bruno, California 94066
(415) 952-4400

Officers: Donald G. Fisher, president; Jack W. Eugster, Samuel Gerson, exec. v.p.'s; Maurice W. Gregg, sr. v.p.-finance & chief financial officer; Dexter C. Tight, sr. v.p., general counsel & secretary; John P. Carver, v.p.-human resources; Edward A. Strobin, v.p.-mgmnt. info. systems; Jack Feitelberg, v.p., corporate controller.

Directors: Donald G. Fisher, Jack W. Eugster, Samuel Gerson, Maurice W. Gregg, John G. Bowes, Alfred H. Daniels, Doris F. Fisher, Julian A. Ganz, Jr., Richard M. Oster, Brooks Walker, Jr., Stuart G. Moldaw.

Business Activities: The company operates a national chain of specialty stores retailing popularly accepted, moderately priced, casual clothing for men, women and children. Major portions of the company's current lines of merchandise are produced by Levi Strauss, & Co.

Transfer Agent(s):

Crocker National Bank
San Francisco, California

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: GPS

Number of Stores: (at fiscal year end)

1979	428	1977	286
1978	362	1976	167

Sales and Earnings

	Net Sales	Net Income ≠
1980 +	$306,510,000	$ 3,276,000
1979	259,888,000	9,120,000
1978 +	205,599,000	9,948,000
1977	139,625,000	7,810,000
1976*	57,768,000	4,194,000

	No. of Com. Shares †	Earn. per Share † ≠
1980 +	4,994,006	$0.66
1979	4,969,240	1.84
1978 +	4,956,313	2.01
1977	4,747,922	1.65
1976*	4,338,072	0.97

+ 53 weeks.
* 30 weeks.
≠ Including extraordinary loss of $2,000,000 ($0.40 per share) in 1979.
† Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.36	–	
1979	0.30	–	
1978	0.22	–	–
1977	0.20	–	4-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 48,082,000	$9.63
1979	46,472,000	9.35
1978	38,808,000	7.83
1977	29,921,000	6.30

† Based on the average number of shares outstanding.

Income Account*
(000's)

Year ended	2/3/80 (53 weeks)	1/28/79
Net sales	$ 306,510	$ 259,888
Cost of sales	209,405	172,342
Expenses	76,899	62,650
Interest expense	3,089	1,842
Income before taxes	$ 17,117	$ 23,054
Income taxes	8,045	11,761
Income from cont. oper.	$ 9,072	$ 11,293
Loss from discont. oper.	(5,796)	(173)
Net Income	$ 3,276	$ 11,120
Extraord. loss	–	(2,000)
Net Income & extraord. loss	$ 3,276	$ 9,120

* Included in Cost and Expenses, Depreciation and Amortization: $4,809,000 in 1980 and $3,807,000 in 1979.

Assets
(000's)

As of	2/3/80	1/28/79
Cash & comm. paper	$ 6,347	$ 6,020
Accts. receiv., net	1,417	911
*Inventories	53,256	45,941
Prepaid expenses	3,584	1,164
Prop. held for resale		7,025
Assets of discont. oper.	4,980	1,494
Current Assets	$ 69,584	$ 62,555
≠Fixed assets	35,830	28,920
Leased prop. under cap. leases	1,552	1,710
Other assets	771	767
Intangibles	4,165	4,355
Total Assets	$ 111,902	$ 98,307

Liabilities
(000's)

Notes payable	$ 10,170	$ 4,500
Long-term debt, curr.	112	351
Oblig. under cap. leases, curr.	125	111
Accts. payable	22,938	17,807
Accruals	12,179	12,070
Income taxes	2,421	4,674
Curr. Liabilities	$ 47,945	$ 39,513
Long-term debt	12,194	7,977
Oblig. under cap. leases	1,890	2,015
Deferred inc. taxes	1,219	1,854
Other liab.	572	476
Common stock	250	249
Add. paid-in capital	10,659	10,530
Retained earnings	37,173	35,693
Total Liabilities & Shareholders' Equity	$ 111,902	$ 98,307

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $0.05 par value.

The Gap Stores, Inc.

Statistical Summary

%Net Income to Equity	6.81	23.93
Sales to Inventories	5.76	5.66
Working Capital	$ 21,639,000	$ 23,042,000
Current Ratio	1.45	1.58
Shareholders' Equity	$ 48,082,000	$ 46,472,000

Garfinckel, Brooks Brothers, Miller & Rhoads, Inc.

1629 K Street, N.W.
Washington, D.C. 20006
(202) 828-1800

Officers: David R. Waters, chairman of the board & chief executive officer; Willard O. Bent, vice chairman of the board; Robert G. Vandemark, vice chairman of the board; Manuel Rosenberg, president; William C. Detwiler, v.p. & president- Garfinckel's; Frank T. Reilly, v.p. & pres.- Brooks Brothers; Gustave M. Handly, v.p. & chairman- Miller's Incorporated; Alvin A. Underwood, v.p. & pres.- Miller's Inc.; David M. Layne, v.p. & pres.-Harzfeld's Inc.; Richard W. Enders, v.p.-planning & development; Albert D. Nemecek, Jr., v.p., treasurer & asst. secretary; Harold S. Trimmer, Jr., v.p., secretary & corp. counsel; Ronald E. Ruberti, v.p. & controller; Charles C. Stanwood, v.p. & pres.- Miller & Rhoads; Ralph Levy, Jr., v.p. & pres.- Catherine's Stout Shoppe, Inc.

Directors: Willard O. Bent*, Mark Sullivan, Jr.*, Vincent C. Burke, Jr., Richard H. Dilworth, Frank T. Reilly, Carlisle H. Humelsine, W. Reid Thompson*, Gustave M. Handly, B. Francis Saul II, Thomas E. Bolger*, Joseph C. Carter, Jr.*, Robert G. Vandemark, David R. Waters*, Manuel B. Rosenberg, Helen C. Ringquist

* Member of Executive Committee

Business Activities: Operates specialty stores and department stores under the following names:

Brooks Brothers
346 Madison Avenue
New York, New York 10017
(212) MU 2-8800

Operates 22 specialty stores in 13 states and the District of Columbia and Japan. Offers men's and boys' clothing and furnishings.

Garfinckel's
1401 F Street, N.W.
Washington, D.C. 20004
(202) 628-7730

Operates 7 women's specialty stores and 2 hotel shops located in Washington, D.C., Virginia and Maryland.

Harzfeld's
Petticoat Lane
Kansas City, Missouri 64105
(816) 421-2900

Retails higher quality women's wear and accessories, children's wear, and specialty items through 8 stores in Kansas, Oklahoma and Missouri.

Miller & Rhoads
517 East Broad Street
Richmond, Virginia 23217
(703) 648-3111

Operates 22 full-time department and specialty stores throughout the state of Virginia and North Carolina.

Miller's Incorporated
600 Henley Street
Knoxville, Tennessee 37901
(615) 524-4040

Operates 12 department and specialty stores in Tennessee, Georgia and Virginia.

Ann Taylor, Incorporated
3 East 57th Street
New York, New York 10022
(212) 354-9191

Operates 32 stores specializing in high quality women's contemporary clothing and accessories in 12 states and the District of Columbia.

Catherine's Stout Shoppe, Inc.
85 Union Avenue
Memphis, Tennessee 38103
(800) 238-6372

Operates 104 stores specializing in women's large size fashion apparel throughout the South and Midwest.

Transfer Agent(s):

United Virginia Bank
Richmond, Virginia

Stock Exchange(s): New York

Ticker Symbol: GBM

Number of Stores: (at fiscal year end)

1979	207	1976	90
1978	183	1975	86
1977	92		

Sales and Earnings

	Net Sales +	Net Income
1980	$420,398,000	$ 15,269,000
1979*	390,916,000	13,306,000
1978	316,781,000	11,000,000
1977	282,202,000	9,679,000
1976	260,193,000	9,433,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	4,457,032	$3.39
1979*	4,521,113	2.88
1978	4,263,161	2.54
1977	4,238,957	2.25
1976	4,236,707	2.19

* 53 weeks.
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.24		
1979	1.14		
1978	1.04		
1977	1.02		
1976	0.96		

Common Stock Equity

	Total Equity	Equity Per Share
1980	$105,851,000	$23.75
1979	97,950,631	21.67
1978	86,454,156	20.28

Income Account*
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Revenues	$ 391,990	$ 364,944
Cost of sales	261,545	243,259
Expenses	98,509	87,969
Interest expense	7,525	7,207
Other income	(771)	(539)
Income before taxes	$ 25,182	$ 27,048
Income taxes	10,[illegible]2	12,341
Income from cont. oper.	$ 14,550	$ 14,707
Income (loss) from discont. oper.	719	(1,401)
Net Income	$ 15,269	$ 13,306

* Included in Costs and Expenses: Depreciation and Amortization: $6,419,000 in 1979 and $5,672,000 in 1978.

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 816	$ 1,037
Short-term invest.		6,025
Accts. receiv., net	83,834	74,365
*Inventories	64,742	56,013
Prepaid expenses	3,212	2,629
Assets of discont. oper.		2,673
Current Assets	$ 152,604	$ 142,742
Investments	750	616
≠Fixed assets	55,614	44,694
Leased prop. under cap. leases	29,417	30,257
Defer. charges & other assets	2,383	2,955
Excess of cost over assets acq.	5,489	5,634
Total Assets	$ 246,257	$ 226,898

Liabilities
(000's)

Notes payable	$ 7,917	$
Long-term debt, curr.	2,304	2,360
Cap. lease oblig., curr.	1,463	1,935
Accts. payable	25,268	19,156
Accruals	10,607	10,543
Accrued inc. taxes	6,197	7,586
Deferred inc. taxes	11,859	10,280
Curr. Liabilities	$ 65,615	$ 51,860
Long-term debt	33,975	36,256
Cap. lease oblig.	37,605	38,510
Deferred inc. taxes	1,213	209
+ Serial preference stock:		
Series A	882	931
Series B	1,116	1,181
+ + Common stock	2,279	2,269
Add. paid-in capital	18,611	18,246
Retained earnings	87,064	77,438
Treasury stock	(2,103)	
Total Liabilities & Shareholders' Equity	$ 246,257	$ 226,898

* At lower of cost or market; certain inventories at LIFO.
≠ Less accumulated depreciation and amortization.
+ $5 par value.
+ + $0.50 par value.

Statistical Summary

%Net Income to Equity	14.16	13.30
Working Capital	$ 86,989,000	$ 90,882,000
Current Ratio	2.33	2.75
Shareholders' Equity	$107,849,000	$100,063,000

Gaylords National Corporation

10 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 867-9300

Officers: Joseph Nash, chairman of the board; Jerome A. Barrer, president; Leonard L. Nieman, vice president-finance & treasurer; Richard D. Kleinberg, vice president & secretary; vice presidents: Dan Goldberg-advertising; Stanley Workman, Herman Rothschild-Gaylords store operations; Ruth Lykins-specialty stores, Julian Gladstone-dept. store operations, Murray Slochover-accounting; Barbara A. Furgeson-personnel; Oscar Kettler-hardlines merchandise; Victor Sattler - softlines merchandise; Stephen Sero-Towers Jewelers.

Directors: Joseph Nash, Jerome A. Barrer, Jarvis J. Slade, Marvin S. Winter, Lester Korman, Norma N. Barrer, Walter Feldesman.

Business Activities: Owns and operates discount department stores under the name Gaylords and women's specialty stores under the name Betty Gay. Also operates catalog showrooms under the name Towers Jewelers and Distributors. These stores operate in 14 states.

Divisions & Subsidiaries:

Gaylords Division
Betty Gay Division
Towers Division

All at

10 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 867-9300

Transfer Agent(s):

Chase Manhattan Bank
1 Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: GYL

Number of Stores: (at fiscal year end)

1980	51	1977	64
1979	63	1976	65
1978	66		

Sales and Earnings

	Net Sales	Net Income
1980	$123,172,415	$ 302,631
1979	112,451,212	1,055,993
1978	101,309,214	723,955
1977	98,796,114	1,373,341
1976*	87,332,173	752,594

	No. of Com. Shares	Earn. per Share ‡
1980	1,206,320	$0.25
1979	1,203,320	0.88
1978	1,203,320	0.60
1977	1,203,320	1.14
1976*	1,203,320	0.63

* 53 weeks.
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05	—	—
1979	—	—	—
1978	0.10	—	—
1977	0.10	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 12,934,917	$10.72
1979	12,682,252	10.54
1978	11,626,259	9.66

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$123,172,415	$112,451,212
Cost of sales	95,016,094	85,900,775
Expenses	26,042,031	23,522,236
Other income	(323,452)	(668,787)
Interest expense	2,020,543	1,956,675
Income before taxes	$ 417,199	$ 1,740,313
Income taxes	129,000	641,000
Minority interest	(14,432)	43,320
Net Income	$ 302,631	$ 1,055,993

* Included in Costs and Expenses, Depreciation and Amortization: $832,555 in 1979 and $813,364 in 1978.

Assets

As of	1/26/80	1/27/79
Cash	$ 2,199,397	$ 1,424,365
Receiv., net	940,155	737,124
Refund. inc. taxes	117,102	—
*Inventories	23,940,087	23,845,723
Prepaid expenses	675,000	785,042
Current Assets	$ 27,871,741	$ 26,792,254
#Fixed assets	5,432,722	5,291,755
Cap. lease oblig.	10,999,606	12,220,423
Other assets	1,385,270	1,490,437
Total Assets	$ 45,689,339	$ 45,794,869

Liabilities

Long-term debt, curr.	$ 852,919	$ 746,299
Cap. lease oblig. curr.	1,225,014	1,198,838
Accts. payable	12,017,645	10,419,974
Accruals	2,674,387	2,632,389
Due to licensees	279,209	232,350
Sundry liabilities	26,957	40,075
Income taxes	40,709	394,698
Other taxes	883,407	534,828
Curr. Liabilities	$ 18,000,247	$ 16,199,451
Long-term debt	1,388,304	2,241,222
Cap. lease oblig.	12,906,856	14,131,870
Minority interest	184,910	199,342
Deferred credits & other items	274,105	340,732
+Common stock	157,840	157,840
Add. paid-in capital	1,494,157	1,494,157
Retained earnings	12,548,846	12,306,381
Treasury stock	(1,265,926)	(1,276,126)
Total Liabilities & Shareholders' Equity	$ 45,689,339	$ 45,794,869

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.34	1.55
%Net Income to Sales	0.25	0.94
%Net Income to Equity	2.34	8.33
Sales to Inventories	5.15	4.72
Working Capital	$ 9,871,494	$ 10,592,803
Current Ratio	1.55	1.65
Shareholders' Equity	$ 12,934,917	$ 12,682,252

General Distributors of Canada Ltd.

1370 Sony Place
Winnipeg, Manitoba, Canada R3C 3C3
(204) 284-7160

Officers: Albert D. Cohen, president & chief executive officer; Harry B. Cohen, Joseph H. Cohen, Murray H. Heselton, Morley M. Cohen, vice presidents; John C. Cohen, v.p. & secretary; Samuel N. Cohen, v.p. & treasurer; Grant A. Bruce, v.p. & group comptroller; G.D.B. Poff, v.p.-finance & asst. secretary; W. Pounder, comptroller; N. Paul Cloutier, asst. secretary.

Directors: Albert D. Cohen, Harry B. Cohen, John C. Cohen, Joseph H. Cohen, Morley M. Cohen, G. R. Hunter, Samuel N. Cohen, S. R. Basford, G. D. B. Poff, Edson Boyd, S. Ronald Basford, Carl O. Nickle.

Business Activities: The Company, through wholly-owned subsidiaries, participates in the Canadian merchandising and distribution industry. The Company owns 51% of the common stock in Sony of Canada, Ltd., a joint venture formed on November 1, 1975 to distribute all Sony products across Canada. A wholly-owned subsidiary, Cam-Gard Supply Ltd. also is in the wholesale electronics business. The Company, through it's subsidiaries, operates 244 junior department and family clothing stores across Canada.

Divisions & Subsidiaries:

Metropolitan Stores of Canada Limited (100% owned)
Variety and junior department stores.

Saan Stores Ltd.
1370 Sony Place, Fort Garry
Winnipeg, Manitoba R3C 3C3
Family clothing stores.

Greenberg Stores Limited
9150 Park Avenue
Montreal 354, Quebec
Family clothing stores.

Sony of Canada Ltd. (51% owned)
Joint venture.

Cam-Gard Supply Ltd.
Wholesale electronics distributors.

Gendis Business Services Inc.
Information processing services.

Transfer Agent(s):

The Canada Trust Company
232 Portage Avenue
Winnipeg, Manitoba, Canada

Stock Exchange(s): Toronto

Ticker Symbol: GDS

Number of Stores: (at fiscal year end)

1980	250	1977	235
1979	244	1976	232
1978	246		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$246,622,001	$ 6,623,926
1979	231,265,774	10,389,481
1978	217,898,786	5,338,237
1977	206,401,954	4,572,726
1976	188,262,145	5,523,408

	No. of Com. Shares #	Earn. per Share ‡ +
1980	6,127,186	$1.08
1979	6,126,633	1.70
1978	6,126,390	0.87
1977	6,126,340	0.75
1976	6,126,340	0.90

‡ Including extraordinary gains of $4,032,762 ($0.66 per share) in 1979 and $218,931 ($0.04 per share) in 1976.
# Based on Class A and Class B common shares.
+ Based on weighted monthly average number of Class A and Class B common shares.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	—	—
1979	0.23	—	—
1978	0.23	—	—
1977	0.25	—	—
1976	0.18	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 45,559,446	$7.40
1979	40,540,236	6.62
1978	41,972,843	6.85
1977	38,043,135	6.21
1976	35,032,304	5.72

Income Account

Year ended Jan. 31	1980	1979
Net sales	$246,622,001	$231,265,774
Cost of sales	223,748,975	211,998,957
Depreciation, amort. & depletion	3,922,921	3,912,271
Interest expense	2,248,896	1,755,068
Other interest	4,787,683	2,191,759

General Distributors of Canada Ltd.

Income before taxes	$ 11,913,526	$ 11,407,719
Income taxes	5,088,600	4,839,000
Minority interest	201,000	212,000
Net Income	$ 6,623,926	$ 6,356,719
Extraord. gain	—	4,032,762
Net Income & extraord. gain	$ 6,623,926	$ 10,389,481

Assets

As of Jan. 31	1980	1979
Cash & short-term deposits	$ 1,853,388	$ 434,883
Receiv., net	14,071,122	10,936,352
Due from subsid.	8,579,465	7,005,878
*Inventories	62,152,674	52,946,308
Prepaid expenses	1,447,730	1,268,398
Refundable inc. taxes	551,880	425,840
Current Assets	$ 88,656,259	$ 73,017,659
Investments	2,555,294	855,764
#Fixed assets	40,264,851	37,632,795
Other assets	2,222,469	2,332,623
Total Assets	$133,698,873	$113,838,841

Liabilities

Notes payable	$ 30,591,000	$ 17,491,000
Bank advances	8,600,757	6,271,713
Long-term debt, curr.	1,408,927	1,315,674
Accts. payable & accruals	16,612,685	14,271,361
Income & other taxes	1,232,338	2,885,418
Shareholders' advances	6,392,534	6,288,778
Curr. Liabilities	$ 64,838,241	$ 48,523,944
Long-term debt	18,223,801	20,039,364
Minority interest	2,964,676	3,312,078
Deferred inc. taxes	2,112,709	1,423,219
+Common stock	5,688,336	5,451,432
Retained earnings	39,871,110	35,088,804
Total Liabilities & Shareholders' Equity	$133,698,873	$113,838,841

* At lower of cost and net realizable value.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.83	4.93
%Net Income to Sales	2.69	2.75
%Net Income to Equity	14.54	15.68
Sales to Inventories	3.97	4.37
Working Capital	$ 23,818,018	$ 24,493,715
Current Ratio	1.37	1.50
Shareholders' Equity	$ 45,559,446	$ 40,540,236

General Host Corporation

22 Gate House Road
Stamford, Connecticut 06902
(203) 357-9900

Officers: Harris J. Ashton, chairman of the board, president & chief executive officer; Edward H. Hoornstra, vice chairman of the board; Timothy T. Day, exec. v.p. & pres., Cudahy Foods Co. Group; Louis A. Guzzetti, Jr., exec. v.p. & secretary; James C. Hull, v.p. & controller; Morris Y. Kinne, v.p.-corp. staff services; Richard G. Webb, v.p. & treasurer; Anthony D. Battaglia, v.p.-planning; William H. Bertin, v.p. & general counsel; Richard Gould, v.p.-human resources.

Directors: Charles B. Johnson*, C. Whitcomb Alden, Jr., Harris J. Ashton*, Joseph P. Binns, William F. Downey*, Weston E. Hamilton, Philip B. Harley, Edward H. Hoornstra, Christopher A. Forster.

* Member of Executive Committee.

Business Activities: Engaged in the operation of Li'l General Stores, retail convenience stores located primarily in the Southeastern United States; also operates Hot Sam Companies engaged in the retail sale of fresh baked pretzels and cookies in 131 stores located in shopping malls in 26 states. Produces processed meat products, dry sausage and cheese, calf feed, and salt products.

Divisions & Subsidiaries:

American Salt Company
3142 Broadway
Kansas City, Missouri 64111
(816) 753-7100

Cudahy Foods Company
100 West Clarendon
P.O. Box 29029
Phoenix, Arizona 85013

Hot Sam Companies
P.O. Box 13535
Tampa, Florida 33681
(813) 837-3453

Li'l General Stores
5303 South MacDill Avenue
Tampa, Florida 33611
(813) 835-1731

Milk Specialties Company
P.O. Box 278 - Water at Illinois Sts.
Dundee, Illinois 60118
(312) 426-3411

Van de Kamp's Frozen Food Division
13100 Artic Circle
Santa Fe Springs, California 90670
(213) 921-7721

Acquisition(s):

Tambellini Foods, Inc. (March 24, 1980)
Pittsburgh, Pennsylvania
Manufacturer of frozen and refrigerated Italian food products.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Union Bank
3810 Wilshire Boulevard
Los Angeles, California 90010

Stock Exchange(s): New York, Pacific

Ticker Symbol: GH

Number of Stores: (at fiscal year end)

1979	595	1976	696
1978	646	1975	688
1977	678		

Sales and Earnings

	Net Sales† (000's)	Net Income‡ (000's)
1979	$ 752,015	$ 29,470
1978	645,357	(2,604)
1977	541,859	(912)
1976	519,498	(14,717)
1975	543,026	9,342

	No. of Com. Shares	Earn. per Share #‡
1979	3,012,998	$12.16
1978	1,700,940	—
1977	1,744,690	—
1976	1,647,984	—
1975	1,616,444	5.72

(Loss)
† of continuing operations only.
‡ Including extraordinary gains of $9,233,000 ($3.81 per share) in 1979 and $5,327,000 ($3.26 per share) in 1975.
# Based on weighted average number of shares outstanding.

Revenues by Line of Business

	1979	1978
Convenience stores	$ 148,037	$ 134,516
Meat and related prods.	467,427	404,663
Frozen food prods.	75,678	59,648
Salt & agricultural prods.	60,873	46,530
Total	$ 752,015	$ 645,357

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.65		
1978	0.60	—	—
1977	0.60	—	
1976	0.60		
1975	0.45		—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 83,872,000	$28.31
1978	39,054,000	23.50
1977	43,329,000	25.36
1976	45,120,000	27.48
1975	60,737,000	37.57

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$752,015,000	$645,357,000
Other income	9,986,000	2,162,000
Total income	$762,001,000	$647,519,000
Cost of sales	661,921,000	571,976,000
Expenses	64,784,000	50,585,000
Depreciation & amortization	7,901,000	7,163,000
Interest expense	10,987,000	11,621,000
Prov. for uncollect. notes	—	1,135,000
Income before taxes	$ 16,408,000	$ 5,039,000
Income taxes	6,068,000	1,415,000
Income from cont. oper.	$ 10,340,000	$ 3,624,000
Income (loss) from discont. oper.	9,897,000	(6,228,000)
Net Income (Loss)	$ 20,237,000	$ (2,604,000)
Extraord. gain	9,233,000	
Net Income (Loss) & extraord. gain	$ 29,470,000	$ (2,604,000)

* Included in Costs and Expenses, Depreciation and Amortization: $7,901,000 in 1979 and $7,163,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 5,151	$ 4,132
Marketable securities	38,581	5,979
Accts. & notes receiv., net	41,306	35,300
*Inventories	52,032	45,646
Prepaid expenses	1,903	951
Assets of discont. oper.	—	11,531
Current Assets	$ 138,973	$ 103,539
#Fixed assets	83,448	84,770
Other assets	11,525	13,474
Total Assets	$ 233,946	$ 201,783

Liabilities
(000's)

Long-term debt, curr.	$ 10,715	$ 4,910
Accts. payable	26,477	20,920

Accruals		16,579		18,355
Curr. Liabilities	$	53,771	$	44,185
Long-term debt		90,864		113,645
Reserves & defer. credits		4,529		4,899
Deferred inc. taxes		910		—
+Common stock		3,545		2,213
Add. paid-in capital		78,513		63,686
Retained earnings (deficit)		10,051		(19,419)
Treasury stock		(6,808)		(6,504)
Notes receiv.-stock option		(1,429)		(922)
Total Liabilities & Shareholders' Equity	$	233,946	$	201,783

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Equity	24.13	
Sales to Inventories	14.45	14.14
Working Capital	$ 85,202,000	$ 59,354,000
Current Ratio	2.58	2.34
Shareholders' Equity	$ 83,872,000	$ 39,054,000

General Mills, Inc.

P.O. Box 1113
Minneapolis, Minnesota 55440
(612) 540-2311

Officers: E. Robert Kinney, chairman & chief exec. officer; H. Brewster Atwater, Jr., president & chief operating officer; Donald F. Swanson, sr. exec. v.p.-restaurant & consumer non-foods; Mark H. Wiles, exec. v.p. & chief financial officer; F. Caleb Blodgett, exec. v.p.-consumer foods; Paul L. Parker, exec. v.p. & chief administrative officer; Eugene E. Woolley, exec. v.p.-furniture & O-CEL-O; John V. Luck, sr. v.p. & technical director; Walter R. Barry, Jr., Jane Evans, James G. Fifield, Robert W. Hatch, Joe R. Lee, Bernard Loomis, Arthur R. Schulze, Preston Townley, group v.p.'s; Dean Belbas, v.p.-corp. communications; Thomas P. Nelson, v.p. & controller; Clifford L. Whitehall, v.p. & general counsel; James L. Weaver, v.p. & treasurer; James M. Neville, secretary.

Directors: Betsy Ancker-Johnson*, H. Brewster Atwater, Jr.*, James P. McFarland, Kenneth N. Dayton, J. Wilbur Feighner, N. Bud Grossman*, Stephen F. Keating*, E. Robert Kinney, Lewis W. Lehr*, Louis W. Menk, John W. Morrison, Gwendolyn A. Newkirk, William F. Pounds*, Edward S. Reid, Waverly G. Smith*, Donald F. Swanson, Richard L. Terrell.

* Member of the Executive Committee

Business Activities: Engaged in the production and marketing of food products (breakfast and snack items, mixes, flour, seafood, etc.); commercial foods and ingredients; restaurant activities; crafts, games and toys; direct marketing and retailing opertions for hobbycraft, art needlework, home sewing items, wallpaper, and sportswear. Also manufactures and markets costume jewelry products, women's and children's wear, men's sportswear and accessories, "Eddie Bauer," outdoor recreational clothing and equipment, "Foot-Joy" golf shoes, Lark luggage and Kittinger, Pennsylvania House & Dunbar furniture.

Fashion and/or Specialty Retailing Operations:

Eddie Bauer, Inc.
15010 N.E. 36th Street
Redmond, Washington 98052
(206) 882-6100
Outdoor recreational and sporting clothing and equipment.

Bowers and Ruddy Galleries, Inc.
6922 Hollywood Boulevard
Suite 600
Los Angeles, California 90028
(213) 466-4595
Buying and selling of rare coins.

David Crystal Division
498 7th Avenue
New York, New York 10018
(212) 279-6560
Fashion wear.

Crystal Sunflowers, Inc. (children's wear)
Ernie Sabayrac, Inc. (pro shop sportswear distributor)
Fashion Flair, Inc. (retail operations)
Haymaker Sports, Inc. (women's sportswear)
Izod, Ltd. (men's sportswear)

General Mills Apparel Corporation
Suite 3425 - 34th Floor
Rockefeller Center
New York, New York 10020
(212) 246-4800
Apparel group headquarters.

Empire Textile Corp.
P.O. Box 707
Corozal, Puerto Rico 00643
(809) 859-2625
Manufacturer of men's knit shirts.

Foot-Joy, Inc.
144 Field Street
Brockton, Massachusetts 02403
(617) 586-2233
Golf shoes.

H.E. Harris & Co., Inc.
645 Summer Street
Boston, Massachusetts 02117
(617)-269-5200
Retail and wholesale postage stamp business.

LeeWards Creative Crafts, Inc.
1200 St. Charles Road
Elgin, Illinois 60120
(312) 888-5800
Hobbycraft and art needlework, mail order and retail.

Lord Jeff Knittin Co., Inc.
10 Maple Street
Norwood, New Jersey 07648
(201) 767-8800
Knitted outerwear for men.

General Mills Products Corp.
P.O. Box 376
Murray Hill Station
New York, New York 10016
(212) 725-4700
Fashion jewelry.

Ship'N Shore, Inc.
Bridgewater-at-Aston
Aston, Pennsylvania 19014
(215) 494-2000
Apparel for women.

The Talbots, Inc.
175 Beal Street
Hingham, Massachusetts 02043
(617) 749-7600
Retail and mail catalog sales of men's and women's clothing.

Wallpapers To Go
3151 Corporate Place
Hayward, California 94545
(415) 785-7150
Flexible wall covering speciality retail stores.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Office of the Company
P.O. Box 1113
Minneapolis, Minnesota 55440

Stock Exchange(s): New York, Midwest

Ticker Symbol: GIS

Number of Stores: (at fiscal year end)

	Wallpaper	Apparel	Creafts
1980	47	12	~~31~~
1979	47	~~28~~	31
1978	26	28	31
1977	11	28	31
1976		28	28

Sales and Earnings

	Net Sales ‡	Net Income
1980	$4,170,300,000	$170,000,000
1979	3,745,000,000	147,000,000
1978	3,243,000,000	135,800,000
1977	2,782,800,000	117,034,000
1976*	2,533,800,000	100,538,000

	No. of Com. Share	Earn. per Share ≠
1980	50,230,000	$3.37
1979	50,259,000	2.92
1978	49,766,000	2.72
1977	49,664,000	2.36
1976	49,335,000	2.04

‡ Of continuing operations only.
* 53 weeks.
≠ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business ≠

	1980 (000's)	1979 (000's)
Consumer Foods	$2,218,800	$2,062,400
Restaurants	525,700	436,300
Creative prods.	647,000	583,900
Fashion	422,500	360,400
Spec. ret. & other	356,300	302,000
Total Sales	$ 4,170,300	$ 3,745,000

≠ Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.28	—	—
1979	1.12	—	—
1978	0.97	—	—
1977	0.79	—	—
1976	0.66	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$1,020,700,000	$20.32
1979	916,200,000	18.23
1978	815,100,000	16.38
1977	724,870,000	14.60
1976	640,245,000	12.98

Income Account
(000's)

Year ended	5/25/80	5/27/79
Net sales	$ 4,170,300	$ 3,745,000
Cost of sales	2,578,500	2,347,700
Expenses	1,145,500	1,021,300
Depreciation & amortization	81,100	73,300
Interest expense	48,600	38,800
Income before taxes	$ 316,600	$ 263,900
Income taxes	146,600	116,900
Net Income	$ 170,000	$ 147,000

Assets
(000's)

As of	5/25/80	5/27/79
Cash & short-term receiv.	$ 39,100	$ 97,000
Accts. receiv., net	374,200	313,400
* Inventories	543,100	501,800
Prepaid expenses	29,600	24,200
Current Assets	$ 986,000	$ 936,400
# Fixed assets	747,500	643,700
Other assets	99,800	75,600
Intangibles	179,100	179,500
Total Assets	$ 2,012,400	$ 1,835,200

Liabilities
(000's)

Notes payable	$ 83,200	$ 44,000
Long-term debt, curr.	7,800	10,200
Accts. payable	324,900	318,700
Accrued taxes	94,100	71,900
Accruals	59,700	50,000
Curr. Liabilities	$ 569,700	$ 494,800
Long-term debt	377,500	384,800
Deferred inc. taxes	25,000	22,400
Other liabilities	19,500	17,000
+ Common stock	197,000	194,700
Retained earnings	831,000	725,500
Treasury stock	(7,400)	(4,000)
Total Liabilities & Shareholders' Equity	$ 2,012,400	$ 1,835,200

* At lower of cost or market.
# Less accumulated depreciation.
+ $0.75 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.59	7.05
%Net Income to Sales	4.08	3.93
%Net Income to Equity	16.66	16.04
Sales to Inventories	7.68	7.46
Working Capital	$416,300,000	$441,600,000
Current Ratio	1.73	1.89
Shareholders' Equity	$1,020,700,000	$916,200,000

Genesco Inc.

Genesco Park
Nashville, Tennessee 37202
(615) 367-7000

Officers: John L. Hanigan, chairman of the board & president; Larry B. Shelton, Ralph H. Bowles, George Q. Langstaff, Jr., exec. v.p.'s; Jimmie D. White, v.p. & chief accounting officer; Leonard K. Guiler, v.p.-acquisitions & divestments; Thomas B. Clark, v.p. & general counsel; William S. Wire II, v.p.-finance; Edward F. Carney, v.p.-human resources; Dan W. Gregory, v.p.-deputy mgr., Footwear Sector; William C. O'Connor, secretary; James S. Gulmi, treasurer; Charles E. Bain, Willard Sledge, asst. secretaries.

Directors: Edward F. Blettner, John D. Diebold, Kenneth L. Roberts, Allen M. Steele, Edward E. Watson, David K. Wilson, Sidney Davidson, Edwin H. Ravson, Harold K. Johnson, Pierre Rinfret, Sam M. Fleming, John L. Hanigan, Harry D. Garber.

Business Activities: Genesco's business falls into three major areas: retailing, footwear, men's apparel manufacturing. Operates 1,692 stores and leased departments.

Divisions & Subsidiaries:

Manufacturing and Wholesale:

Charles H. Bacon Co., Inc.
P.O. Box 370
213 Grand Street
Lenoir City, Tennessee 37771
(615) 986-3531
Women's, infants', children's & men's hosiery.

Baker-Cammack Hosiery Mills
Webb Avenue & Everett Street
P.O. Box 1209
Burlington, North Carolina 27215
(919) 226-1676
Hosiery for men and boys.

Burlington Mfg. Co.
162 3rd Avenue, North
Nashville, Tennessee 37201
(615) 367-6663
Jeans and slacks for private label volume trade.

Camp Industries
1290 Avenue of the Americas
New York, New York 10019
(212) 397-2450
Quality hosiery for men.

Capitol Products Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7679
Cartons and containers.

Cedar Crest Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7138
Men's work, safety and sport boots, and special purpose footwear.

Charm Step Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7113
Women's popular priced shoes.

East Street Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7141
Contemporary shoes for young women.

Dominion Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7621
Shoes for private label volume trade.

Footwear-Distribution Centers
Genesco Park
Nashville, Tennessee 37202

Footwear-Manufacturing and Staff
Genesco Park
Nashville, Tennessee 37202
(615) 367-7400

Footwear-Marketing and Staff
Genesco Park
Nashville, Tennessee 37202
(615) 367-8234

Footwear-Material Management
Genesco Park
Nashville, Tennessee 37202
(615) 367-7175

General Adhesives & Chemical Co.
6100 Centennial Boulevard
Nashville, Tennessee 37209
(615) 367-6833
Adhesives, finishes, caulks, and chemical products.

Gensole
Genesco Park
Nashville, Tennessee 37202
(615) 367-7454
Cut soles, insoles, findings, and cutting dyes.

Gentan
Genesco Park
Nashville, Tennessee 37202
(615) 367-7453
Side leather.

Grief & Co.
401 Homeland Avenue
Baltimore, Maryland 21212
(301) 435-1000
Men's clothes and sportswear in the higher and medium price ranges.

Male Sportswear
764 Miami Circle, N.E.
Atlanta, Georgia 30324
(404) 266-1630
"Male" brand slacks and pants.

Haywood
162 Third Avenue North
Nashville, Tennessee 37201
(615) 367-6518 or (615) 747-6507
Casual and career clothes for men and woman.

Jarman Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7146
Men's dress shoes.

Johnston & Murphy Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-8251
J & M Frank Bros. shoes for men.

Jordan Clothing Company
1290 Avenue of the Americas
New York, New York 10019
(212) 581-7640
Private label men's clothing.

National Vogue Shoemakers
Genesco Park
Nashville, Tennessee 37202
(615) 367-7137
Women's shoes for independent retailers and department stores.

Phoenix Clothes
1290 Avenue of the Americas
New York, New York 10019
(212) 581-7640
Men's clothes.

Southern Sole
940 Trinity Lane
Nashville, Tennessee 37207
(615) 367-6426
Cut soles, insoles, findings, cutting dyes and unit soles.

Valmore Leather Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7731
Leather sales.

Volunteer Leather Company
Kafauver Drive
Milan, Tennessee 38358
(901) 686-1571
Side leather finishing.

Whitehall Leather Company
Whitehall, Michigan 49461
(616) 893-1315
Side leather.

Wood & Hyde Leather Company
Gloversville, New York 12078
(518) 725-7105
Shoe and garment leather.

Genesco Retail:

Baron's
1510 Alton Road
Miami Beach, Florida 33139
(305) 672-2591
Men's clothing stores in the Southeast.

Bell Bros., Inc.
Genesco Park
Nashville, Tennessee 37202
(615) 367-7513
Popular priced family shoe stores.

Henri Bendel Company
10 W. 57th Street
New York, New York 10019
(212) 247-1100
Specialty apparel store for women.

Brittain's
121 Fayettesville Street
Raleigh, North Carolina 27601
(919) 832-8333
Family shoe stores.

Burkhardt's
8 E. 4th Street
Cincinnati, Ohio 45202
(513) 421-7100
Men's clothing stores in Cincinnati and Dayton, Ohio.

Flagg Bros.
Genesco Park
Nashville, Tennessee 37202
(615) 367-7441
Shoe stores featuring footwear particularly designed for young men.

M. Gilbert & Sons
805-817 South Michigan Street
South Bend, Indiana 46618
(219) 289-5521
Men's & women's apparel tores in the South Bend area.

Graves-Cox & Company, Inc.
126 West Main Street
Lexington, Kentucky 40507
(606) 254-8074
Men's clothing stores in Lexington and Louisville.

Guarantee Shoe Stores
206 North Star Mall
San Antonio, Texas 78216
(512) 342-0771
Women's and men's quality fashion shoes.

Hall-Brown
P.O. Box 2110
Nashville, Tennessee 37901
(615) 298-4457
Men's and women's clothing stores in Nashville.

Hardy Shoe Stores
Genesco Park
Nashville, Tennessee 37202
(615) 367-7444
Popular priced men's shoes stores.

Innes Shoe Stores
436 W. 7th Street
Los Angeles, California 90014
(213) 622-1677
Women's and men's quality fashion shoes.

Cover Girl Stores
Genesco Park
Nashville, Tennessee 37202
(615) 367-7885
Family shoe stores and leased shoe departments from coast to coast including: Brittain's; Guarantee Shoe Stores; Innes Shoe Stores; Sommer & Kaufman Shoe Stores & Cover Girl.

Jarman Retail
Genesco Park
Nashville, Tennessee 37202
(615) 367-7209
Men's shoe stores and leased departments featuring Jarman shoes.

S.H. Kress and Company
114 Fith Avenue
New York, New York 10011
(212) 929-2700
Nationwide chain of general merchandise and variety stores.

Manss
Genesco Park
Nashville, Tennessee 37202
(615) 367-7885
Women's quality fashion shoe stores.

Murphy Retail
Genesco Park
Nashville, Tennessee 37202
(615) 367-7401
Leased departments featuring J & M stores.

Roos/Atkins
799 Market Street
San Francisco, California 94103
(415) 397-4000
Quality men's and women's apparel stores in the Western United States.

Sommer & Kaufman
838 Market Street
San Francisco, California 94102
(415) 781-5242
Women's and men's fashion shoes stores.

Genesco International:

Agnew-Surpass Shoes Stores, Ltd.
298 Park Road North
Brantford, Ontario, Canada
(519) 752-7854
Coast to coast chain of family shoe stores.

Domani
6907 Empire State Building
New York, New York 10001
(212) 563-3826
Women's branded import shores.

Footwear Import (Men's)
5615 Empire State Building
New York, New York 10001
(212) 279-4198

Footwear Import (Women's)
6903 Empire State Building
New York, New York 10001
(212) 279-4442

Footwear Import (Children's)
7305 Empire State Building
New York, New York 10001
(212) 564-5678

General Shoe of Canada
401 Fountain Street North
Cambridge, Ontario, Canada
(519) 653-5783
Manufacturers and wholesalers of men's and children's shoes.

Genesco of Canada
401 Fountain Street North
Cambridge, Ontario, Canada
(519) 653-5783
Canadian operations.

Genesco Footwear Import Company
Genesco Park
Nashville, Tennessee 37202
(615) 747-7344
Men's and women's shoes.

The J.A. Johnston Company
105 Strowger Boulevard
Brockville, Ontario, Canada
(613) 342-4481
Wholesalers and retailers of shoes for men, women and children.

Nadia Import Sales
7111 Empire State Building
New York, New York 10001
(212) 869-5880
Women's import shoes from Brazil.

Transfer Agent(s):

Morgan Guaranty Trust Company
(common & preferred stock)
New York, New York 10004

First American National Bank
(common and preferred stock)
Nashville, Tennessee 37237

Stock Exchange(s): New York

Ticker Symbol: GCO

Number of Retail Outlets: (at fiscal year end)

1979	1,200	1976	1,692
1978	1,500	1975	1,606
1977	1,500		

Sales and Earnings †

	Net Sales + (000's)	Net Income ‡ (000's)
1979	$ 992,925	$ 6,332
1978	1,048,351	14,936
1977	1,014,787	(135,783)
1976	1,061,390	15,930
1975	1,014,798	(14,427)

	No. of Com. Shares	Earn. per Share ‡ #
1979	12,620,920	$0.22
1978	12,613,176	0.90
1977	12,512,000 #	—
1976	12,593,000 #	1.00
1975	12,466,000 #	—

(Loss)
†Restated to reflect change in accounting principles.
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.
‡ Including extraordinary gain of $4,210,000 ($0.33 per share) in 1978.

Revenues by Line of Business

	1979 (000's)	1978 (000's)
Footwear	$ 457,306	$ 447,282
Men's apparel	173,817	178,269
Retailing	218,079	229,590

Income Account*
(000's)

Year ended July 31	1979	1978 ‡
Net sales	$ 992,925	$ 1,048,351
Cost of sales	672,812	705,740
Expenses	292,157	302,960
Interest expense	24,479	21,286
Other expense (income)	(1,798)	(999)
Prov. for divest. & store closings	7,320	—
Income before taxes	$ (1,045)	$ 19,364
Income taxes	6,990	8,353
Equity in losses of noncons. cos.	(70)	285
Income (loss) from cont. oper.	$ (7,965)	$ 10,726
Prov. for gain from discont. oper.	14,297	—
Net Income	$ 6,332	$ 10,726
Extraord. gain	—	4,210
Net Income & extraord. gain	$ 6,332	$ 14,936

* Included in Costs and Expenses, Depreciation and Amortization: $14,247,000 in 1979 and $15,031,000 in 1978.
‡ Restated to reflect change in accounting principles and discontinued operations.

Assets
(000's)

As of July 31	1979	1978 ‡
Cash	$ 12,371	$ 20,576
Receiv., net	24,537	27,574
*Inventories	197,687	213,471
Prepaid expenses	1,440	2,064
Other assets	6,191	30,734
Current Assets	$ 242,226	$ 294,419
Investments & receiv.	17,891	14,339
#Fixed assets	98,350	102,451
Debt discount	1,141	1,435
Intangibles	—	4,115
Other assets	519	10,914
Total Assets	$ 360,127	$ 426,953

Liabilities
(000's)

Notes payable	$ 12,000	$ 61,850
Long-term debt, curr.	8,920	8,447
Capitalized lease oblig., curr.	6,445	8,068
Acct. payable & accruals	75,347	87,035
Prov. for oper. divested	14,482	21,678
Curr. Liabilities	$ 117,174	$ 187,078
Long-term debt	92,456	89,427
Subordinated debentures	12,383	—
Capitalized lease oblig.	25,089	37,235
Prov. for oper. divested	19,278	24,567
Deferred credits	—	4,542
Preferred stock	100,499	100,429
+Common stock	13,108	13,100
Add. paid-in capital	60,769	60,849
Retained earnings (deficit)	(36,315)	(42,647)
Treasury stock	(28,681)	(28,681)
Emp. stock purch., accts.	(18,682)	(18,946)
Total Liabilities & Shareholders' Equity	$ 360,127	$ 426,953

‡ Restated to reflect change in accounting principles and discontinued operations.
* At lower of approximate average cost or market (FIFO).
≠ Less accumulated depreciation.
+ $1 par value

Statistical Summary

%Income before Taxes to Sales	—	1.85
%Net Income to Sales	—	1.02
%Net Income to Equity	—	12.75
Sales to Inventories	5.02	4.91
Working Capital	$125,052,000	$107,341,000
Current Ratio	2.07	1.57
Shareholders' Equity	$ 90,598,000	$ 84,104,000

Genovese Drug Stores, Inc.

80 Marcus Drive
Melville, New York 11747
(516) 420-1900

Officers: Leonard Genovese, chairman of the board & president; Herbert J. Kett, sr. v.p.; Ernest Pascale, Donald W. Gross, Paul Stanton, vice presidents; Jerome Stengel, v.p. & treasurer; Constance Azzarone, v.p. & secretary; Ralph J. Rescildo, v.p.-store operations; Dominick Lettieri, Alan Patrick, Raymond Rescildo, asst. v.p.'s.

Directors: Frances A. Genovese, Leonard Genovese, William J. McKenna, Herbert J. Kett, Benjamin F. Leventhal, Walter H. Miller, Edward J. Brady.

Business Activities: Operates a chain of Genovese Drug Stores located in New York, New Jersey, Massachusetts and Connecticut.

Divisions:

Genco Distributors Division
80 Marcus Drive
Melville, New York 11746
A stationery and sundries distributor.

Living Color Division
199 Glen Street
Glen Cove, New York 11542
Photo finishing plants.

Genrex Pharmacy Services
80 Marcus Drive
Melville, New York 11747

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: GDX

Number of Stores: (at fiscal year end)

1980	52	1977	45
1979	50	1976	46
1978	48		

Sales and Earnings

	Net Sales	Net Income
1980	$ 97,447,000	$ 1,557,000
1979	86,054,000	943,000
1978*	79,291,258	1,414,694
1977	72,692,846	1,138,496
1976	64,067,738	981,654

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,627,368	$0.96
1979	1,615,803	0.58
1978*	1,612,993	0.88
1977	1,605,520	0.71
1976	1,603,304	0.61

* 53 weeks.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05		—
1979	0.05	—	
1978	0.05	20%	
1977	—	20%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 12,357,000	$7.59
1979	10,858,000	6.72
1978	9,945,076	6.17
1977	8,643,923	5.38
1976	7,453,446	4.65

‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account*

Year ended	2/1/80	2/2/79
Net sales	$ 97,447,000	$ 86,054,000
Cost of sales	68,307,000	60,991,000
Expenses	25,680,000	22,692,000
Interest expense	456,000	475,000
Deferred comp.	—	110,000
Income before taxes	$ 3,004,000	$ 1,786,000
Income taxes	1,447,000	843,000
Net Income	$ 1,557,000	$ 943,000

* Included in Costs and Expenses, Depreciation and Amortization: $606,000 in 1980 and $552,000 in 1979.

Assets

As of	2/1/80	2/2/79
Cash	$ 653,000	$ 326,000
Receiv., net	1,697,000	1,541,000
*Inventories	17,748,000	15,408,000
Prepaid expenses	296,000	410,000
Current Assets	$ 20,394,000	$ 17,685,000
≠Fixed assets	3,984,000	3,530,000
Other assets & deferred charges	402,000	196,000
Total Assets	$ 24,780,000	$ 21,411,000

Liabilities

Long-term debt, curr.	$ 387,000	$ 385,000
Accts. payable	7,470,000	6,300,000
Accruals	1,219,000	993,000
Income taxes	772,000	
Other taxes	629,000	509,000
Curr. Liabilities	$ 10,477,000	$ 8,187,000
Long-term debt	1,787,000	2,165,000
Deferred comp. payable	159,000	201,000
+Common stock	1,634,000	1,621,000
Add. paid-in capital	2,395,000	2,385,000
Retained earnings	8,336,000	6,860,000
Treasury stock	(8,000)	(8,000)
Total Liabilities & Shareholders' Equity	$ 24,780,000	$ 21,411,000

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.08	2.08
%Net Income to Sales	1.60	1.10
%Net Income to Equity	12.60	8.68
Sales to Inventories	5.49	5.59
Working Capital	$ 9,917,000	$ 9,498,000
Current Ratio	1.95	2.16
Shareholders' Equity	$ 12,357,000	$ 10,858,000

George Weston Limited

22 St. Clair Avenue East
Suite 1901
Toronto, Ontario, Canada N4T 2S7
(416) 922-2500

Officers: W. Galen Weston, chairman of the board & president; Mark Hoffman, sr. vice president & chief financial officer; Richard J. Currie, sr. v.p.-food distribution; David A. Nichol, sr. vice president; George C. Metcalf, vice president; William A. Sloan, vice president-finance; Kenneth L. Harlock, controller; Terrence H. Wardrop, strategic planning mgr.; Ralph S. Barnes, corp. planning & development officer; Ivan R. Franklin, corporate tax officer; Stewart E. Green, secretary; Ian M. Young, treasurer; James N. Bunsch, asst. treasurer; Charlotte Welch, asst. secretary.

Directors: W. Galen Weston, chairman; John C. Scarth, John D. Stevenson, Richard J. Currie, David A. Nichol, Mark Hoffman, George C. Metcalf, S. Simon Reisman, Frank A. Riddell, Richard I. Nelson, Garry H. Weston

Business Activities: Diversified operations in food processing, fisheries, forest products, and wholesale-retail food distribution.

Divisions & Subsidiaries:

Wholesale and Retail

Canadian operations include wholesale and retail marketing of food and other products throughout Canada, catering and restaurant servicing in Western Canada, food manufacturing for distribution in Canada and the United States. Also engaged in wholesale and retail distribution of food and other products in central United States and California. The Company owns warehouses in strategic centers with about 350 supermarkets and 55 retail drug stores across Canada; food manufacturing plants in Burnaby, British Columbia. United States facilities include approximately 260 supermarkets located primarily in the central United States with warehouses in major centers.

Canadian Operations
  Loblaw Companies Limited (87% owned)
  Loblaws Limited (87% owned)
  Atlantic Wholesalers Division
  National Grocers Company, Limited
  Zehr's Markets Division
  Zehrmart Limited
  Kelly, Douglas & Company, Limited (73% owned)

Super Value (B.C.) Division
Foremost Foods Ltd.
W. H. Malkin Ltd.
Westfair Foods Ltd.
Western Grocers
Dominion Fruit
O.K. Economy Stores
Shelly Western
Econo-Mart
Loblaw West

United States Operations
National Tea Co. (73% owned)
Peter J. Schmitt Co., Inc.
Applebaum's Food Markets, Inc.

Food Processing

Bakery Group
Produces and distributes a wide variety of baked goods throughout Canada.

Weston Bakeries Limited
Lane's Bakeries Limited
Soo Line Mills (1969) Limited
Wittich's Bread Limited
McCarthy Milling Company Limited

Biscuit Group
Manufactures and markets sweet biscuits, crackers, ice cream cones, confections and candies throughout Canada and the United States.

InterBake Foods Limited
Weston Foods Limited
McCormick's Limited
Imperial Cone Company
Bates Packaging Services Limited
Paulin Chambers Co. Ltd.
Interbake Foods, Inc. (U.S.)

Chocolate & Dairy Group
Manufacturer of chocolate and chocolate products; produces ice cream and dairy products.

William Neilson Co. Limited
Donlands Dairy Co. Ltd.
Clark Dairy Limited

Food Specialties Group
Manufactures a variety of toppings and other products for the baking, confection, dairy and fountain industries. Packages and distributes a line of dried and glace fruits, nuts, cereals and health foods. Produces liquid bulk and granulated bulk and packaged white sugars.

Bowes Co. Ltd.
Chocolate Products Co. Ltd.
McNair Products Co. Ltd.
Rose & Laflamme Co. Ltd.
Watt & Scott Inc.
Westcane Sugar Limited
Niagara Food Products Company, Ltd.

Fisheries

Major suppliers of Pacific coast salmon and a wide variety of fresh, frozen, canned and prepared seafoods, as well as fish meal and oil.

British Columbia Packers Limited (83% owned)
Rupert's Certi-fresh Foods, Inc.
Connors Bros., Limited
H. W. Welch

Forest Products

Forest Products Group
Manufactures and distributes fine, specialty and kraft papers for printing, converting, packaging and wrapping; paperboard, kraft pulps, lumber, tissue, other household and industrial paper products.

Eddy Paper Company Limited
E. B. Eddy Forest Products Ltd.
Rudolf McChesney Lumber Company Limited
Eastern Fine Paper Inc. (U.S.)

Transfer Agent(s):

National Trust Company, Limited
Toronto, Montreal, & Vancouver, Canada

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: WN

Sales and Earnings

	Net Sales (000's)	Net Income‡ (000's)
1979	$ 5,867,000	$ 76,000
1978	5,238,000	57,000
1977	4,590,000	32,045
1976	4,345,000	(14,763)
1975	4,137,000	16,233

	No. of Com. Shares	Earn. per Share‡
1979	11,135,914	$6.01
1978	11,019,357	4.66
1977	11,019,357	2.77
1976	11,019,357	
1975	11,019,357	1.37

(Loss)
‡ Including extraordinary losses of $6,427,000 in 1976 and $2,490,000 ($0.23 per share) in 1975 and extraordinary gains of $10,528,000 ($0.95 per share) in 1979, $6,669,000 ($0.60 per share) in 1978 and $4,568,000 ($0.41 per share) in 1977.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.04	—	—
1978	0.72	—	—
1977	0.60	—	—
1976	1.065	—	—
1975	1.22	—	—

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 5,867,102	$ 5,237,808
Other income	5,581	4,662
Total income	$ 5,872,683	$ 5,242,470
Cost of sales	5,580,015	4,982,933
Rentals	60,351	61,306
Depreciation	64,052	56,907
Interest expense	38,890	31,890
Income bef. taxes	$ 129,375	$ 109,434
Income taxes	53,527	48,370
Minority interest	9,899	10,449
Net Income	$ 65,949	$ 50,615
Extraord. gains	10,528	*6,669
Net Income & extraord. gains	$ 76,477	$ 57,284

Assets
(000's)

As of Dec. 31	1979	1978
Cash & investments	$ 9,787	$ 10,556
Accts. receiv., net	189,166	182,186
Prof. for sale	20,444	17,543
*Inventories	591,040	507,261
Prepaid expenses	16,197	14,667
Current Assets	$ 826,634	$ 732,213
Investments	60,842	55,596
≠Fixed assets	604,708	480,275
Defer. items & intangibles	15,154	14,002
Total Assets	$ 1,507,338	$ 1,282,086

Liabilities
(000's)

	1979	1978
Bank advances & notes payable	$ 109,056	$ 132,246
Long-term debt, curr.	11,398	13,561
Cap. lease oblig. curr.	2,095	
Accts. payable & accruals	435,675	341,568
Taxes payable	3,452	2,314
Income taxes	32,470	32,257
Curr. Liabilities	$ 594,146	$ 521,946
Long-term debt	174,222	173,897
Cap. lease oblig.	45,203	
Other liabilities	18,750	17,464
Minority interest	112,459	104,197
Deferred income	17,851	19,151
Deferred inc. taxes	65,893	46,672
+Preferred stock	169,159	146,018
++Common stock	22,992	21,225
Retained earnings	286,663	231,516
Total Liabilities & Shareholders' Equity	$ 1,507,338	$ 1,282,086

* At lower of cost and net realizable value
≠ Less accumulated depreciation
+ $100 par value
++ No par value

Statistical Summary

%Income bef. Taxes to Sales	2.21	2.09
%Net Income to Sales	1.12	0.97
%Net Income to Equity	13.27	12.69
Sales to Inventories	9.93	10.33
Working Capital	$232,488,000	$210,267,000
Current Ratio	1.39	1.40
Shareholders' Equity	$478,814,000	$398,759,000

Giant Food Inc.

6300 Sheriff Road
Landover, Maryland 20785
(301) 341-4100

Mailing Address:
Box 1804
Washington, D.C. 20013

Officers: Israel Cohen, chairman of the board, president & chief exec. officer; David B. Sykes, sr. v.p.-finance & secretary; Gerson Barnett, sr. v.p.-grocery operations; Alvin Dobbin, sr. v.p.-operations; E. Tilden Kelbaugh, sr. v.p.-construction & real estate; Emanuel Cohen, v.p. & treasurer; David W. Rutstein, v.p. & counsel; William P. Barry, v.p.-bakery processing; Morris H. Bortnick, sr. v.p.-professional services; Donald R. Buchanan, sr. v.p.-data processing; Jeremiah E. Donovan, v.p.-personnel; Morris Hamberger, v.p.-meat & seafood operations; Albert J. Lechert, Jr., v.p.-construction operations & planning; Joseph J. Jacobe, v.p.-Pants Corral; Samuel Kramer, v.p.-produce operations; Peter L. Manos, v.p.-delicatessen & dairy operations; Alvin I. Miller, v.p.-advertising & sales promotion; Roger D. Olson, v.p.-labor relations; Alan Swoff, v.p.-frozen food operations; James R. Terry, v.p.-retail food operations; Samuel E. Thurston, v.p.-distribution; Albert Reinach, controller; Arthur Koch, asst. secretary.

Directors: Emanuel Cohen, Mrs. Jac Lehrman, Israel Cohen, Millard F. West, Jr., Morton H. Wilner, Richard Waxenberg, O. Roy Chalk.

Business Activities: Operates a chain of Giant Food supermarkets in Washington, D.C., Maryland and Virginia. Also operates food-pharmacy units, garden centers and optical shops. Also operates Pants Corrals specialty shops featuring slacks, jeans and accessories.

Transfer Agent(s):

The National Bank of Washington
Washington, D.C.

Schroder Trust Company
New York, New York

Stock Exchange(s): American, Philadelphia.

Ticker Symbol: GFSA

Giant Food Inc.

Number of Stores: (at fiscal year end)

	Food Stores	Other Stores
1980	121	33
1979	117	33
1978	115	34
1977	110	40
1976	106	38

Sales and Earnings

	Net Sales ‡	Net Income
1980	$1,242,620,000	$ 17,859,000
1979	1,080,842,000	16,957,000
1978	936,359,000	9,983,000
1977	841,806,000	10,594,000
1976*	779,455,000	11,201,000

	No. of Com. Shares #	Earn. per Share #
1980	4,905,129	$3.64
1979	4,993,557	3.40
1978	4,914,224	2.03
1977	4,956,302	2.14
1976*	4,997,034	2.24

* 53 weeks.
‡ Of continuing operations.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.00	–	–
1979	0.87	–	3-for-2
1978	0.80	–	–
1977	0.80	–	–
1976	0.53	–	–

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$108,082,000	$22.23
1979	96,348,000	19.55
1978	82,838,000	17.11

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	2/23/80	2/24/79
Net sales	$ 1,242,620	$ 1,080,842
Cost of sales	931,655	803,719
Expenses	276,324	241,775
Interest expense	3,551	4,918
Income before taxes	$ 31,090	$ 30,430
Income taxes	13,231	13,473
Net Income	$ 17,859	$ 16,957

* Included in Costs and Expenses, Depreciation and Amortization: $14,924,000 in 1980 and $13,437,000 in 1979.

Assets
(000's)

As of	2/23/80	2/24/79
Cash	$ 8,973	$ 1,505
Short-term invest.	38,266	52,787
Receiv., net	4,430	3,170
Adv. under leaseback agrmts.	2,612	58
*Inventories	76,023	65,004
Prepaid expenses	3,867	3,476
Current Assets	$ 134,171	$ 126,000
Real estate for future develop.	7,169	5,081
#Fixed assets	107,785	94,344
Prop. under cap. leases	57,649	55,767
Other assets	673	382
Total Assets	$ 307,447	$ 281,574

Liabilities
(000's)

Long-term debt, curr.	$ 2,325	$ 2,179
Cap. Lease oblig. curr.	2,589	2,390
Accts. payable	66,709	58,831
Accruals	18,554	15,974
Dividends payable	1,215	1,068
Income taxes	3,334	4,835
Prov. for future exp. & losses	–	947
Curr. Liabilities	$ 94,726	$ 86,224
Long-term debt	28,007	29,618
Cap. lease oblig.	62,631	60,027
Prov. for ins. claims	8,116	1,078
Deferred inc. taxes	5,885	8,279
+Common stock	5,021	3,348
Add. paid-in capital	11,167	12,826
Retained earnings	94,123	81,168
Treasury stock	(2,229)	(994)
Total Liabilities & Shareholders' Equity	$ 307,447	$ 281,574

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.50	2.82
%Net Income to Sales	1.44	1.57
%Net Income to Equity	16.52	17.60
Sales to Inventories	16.35	16.63
Working Capital	$ 39,445,000	$ 39,776,000
Current Ratio	1.42	1.46
Shareholders' Equity	$108,082,000	$ 96,348,000

Glosser Bros., Inc.

Franklin & Locust Streets
Johnstown, Pennsylvania 15901
(814) 536-6633

Officers: Leonard J. Black, chairman of the board & chief executive officer; Alvin M. Glosser, president & chief operating officer; Herbert S. Sinberg, Paul L. Glosser, Sydney Ossip, sr. v.p.'s; William L. Glosser, secretary; Fred Glosser, asst. secretary; Tom Zurilla, treasurer & controller.

Directors: Leonard J. Black*, Alvin M. Glosser*, Isadore Glosser, Samuel B. Roth, Paul L. Glosser*, Herbert Sinberg*, Sydney Ossip*, William L. Glosser*, Fred Glosser*, Clarence A. Peterson, Richard L. Van Horn, N. Gwynne Dodson, W. Louis Coppersmith.

* Member of Executive Committee.

Business Activities: Operates Glosser Bros., a conventional full line department store in downtown Johnstown, 13 Gee Bee Discount department stores (5 of which include supermarkets) and 8 free standing Gee Bee Supermarkets in western Pennsylvania, Maryland and West Virginia.

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): American

Ticker Symbol: GEE

Number of Stores: (at fiscal year end)

	Department Stores	Supermarkets	Apparel Stores
1980	16	13	1
1979	15	9	–
1978	14	9	–
1977	13	10	–
1976	11	10	–

Sales and Earnings

	Net Sales	Net Income †
1980	$156,893,290	$ 2,649,348
1979	146,025,273	2,741,645
1978	133,959,904	2,986,463
1977	116,222,123	2,480,610
1976	103,198,271	2,272,532

	No. of Com. Shares +	Earn. per Share ‡†
1980	1,609,221	$1.64
1979	1,610,396	1.70
1978	1,610,396	1.85
1977	1,610,396	1.54
1976	1,610,396	1.41

† Including extraordinary gain of $133,000 ($0.08 per share) in 1978 and extraordinary loss of $304,000 ($0.19 per share) in 1977.
+ Adjusted to reflect stock splits.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$0.43	–	
1979	0.38		5-for-4
1978	0.30		
1977	0.25		6-for-5
1976	0.19		

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 23,377,934	$14.52
1979	21,432,031	13.31
1978	19,303,362	11.99
1977	16,793,597	10.43
1976	14,712,796	9.14

‡ Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$156,893,290	$146,025,273
Other income	1,045,216	785,446
Total income	$157,938,506	$146,8[illegible]0,719
Cost of sales	113,406,108	105,85[illegible]905
Expenses	39,308,555	35,647,492
Interest expense	179,495	241,677
Income before taxes	$ 5,044,348	$ 5,063,645
Income taxes	2,395,000	2,455,000
Net Income	$ 2,649,348	$ 2,608,645
Extraord. gain	–	133,000
Net Income & extraord. gain	$ 2,649,348	$ 2,741,645

* Included in Costs and Expenses, Depreciation and Amortization: $1,812,982 in 1980 and $1,288,755 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 4,284,512	$ 2,356,696
Accts. receiv., net	2,975,977	2,838,936
*Inventories	14,009,926	13,366,653
Prepaid expenses	642,773	750,265
Current Assets	$ 21,913,188	$ 19,312,550
≠ Fixed assets	10,826,440	9,817,992
Other assets	37,877	52,385
Total Assets	$ 32,777,505	$ 29,182,927

Liabilities

Notes payable	$	$ 33,508
Mortg. payable	121,236	67,334
Accts. payable	3,323,944	2,699,228
Accruals	2,966,233	2,635,835
Income taxes	602,755	128,412
Defer. inc. taxes	408,000	400,000
Dividend payable	177,263	161,040
Curr. Liabilities	$ 7,599,431	$ 6,125,357
Long-term debt	979,140	996,539
Deferred inc. taxes	821,000	629,000
+ Common stock	914,646	914,646
Add. paid-in capital	6,545,171	6,545,171
Retained earnings	15,929,221	13,972,214
Treasury stock	(11,104)	—
Total Liabilities & Shareholders' Equity	$ 32,777,505	$ 29,182,927

* At lower of cost or market, by the retail method.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.22	3.47
%Net Income to Sales	1.69	1.79
%Net Income to Equity	11.33	12.17
Sales to Inventories	11.20	10.92
Working Capital	$ 14,313,757	$ 13,187,193
Current Ratio	2.88	3.15
Shareholders' Equity	$ 23,377,934	$ 21,432,031

Godfrey Company

1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Officers: John A. Godfrey, chairman of the board & chief executive officer; Earle P. Couden, president & chief operating officer; Leo Clark, exec. v.p.; Clifford G. Kowalski, sr. v.p.; James D. Godfrey, Rodger G. Scott, William J. Shenkenberg, Kenneth F. Wilkinson, Bert J. Block, Glen Thompson, vice presidents; Robert M. Scheer, secretary-treasurer.

Directors: James E. Godfrey, John A. Godfrey, Rowland Laughlin, Earle P. Couden, Thomas W. Godfrey, Eugene P. Lawler, Leo J. Clark, Ted C. Wetterau, Wilbert E. Schauer.

Business Activities: Godfrey Company is a food distributor and retailer in the greater Milwaukee and southern Wisconsin areas. Retail stores are operated under the names Sentry Food Stores, Sentry Drug Stores, Jay's Liquor Stores and Jim Handy Hardware Stores.

Subsidiaries:

Crestwood Bakery
1710 South 108 Street
West Allis, Wisconsin 53214
(414) 453-4790

Artesian Farms, Inc.
RR #1
Palmyra, Wisconsin 53156
(414) 495-2421

Store Equipment, Inc.
1200 W. Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Sentry Markets, Inc.
1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Transfer Agent(s):

First Wisconsin Trust Company
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GDFY (NASDAQ)

Number of Stores:

1980	87	1977	83
1979	88	1976	82
1978	84		

Sales and Earnings

	Net Sales	Net Income
1979	$368,679,000	$ 3,884,000
1978	318,263,000	2,684,000
1977*	280,143,000	2,141,000
1976	253,102,000	2,108,000
1975	236,596,000	1,881,000

	No. of Com Shares ≠	Earn. per Share ‡
1979	937,773	$4.18
1978	900,004	2.97
1977*	878,583	2.51
1976	800,636	2.60
1975	798,395	2.35

* 53 weeks.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.
≠ Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1979	$1.00	10%	
1978	0.91	—	
1977	0.91	10%	—
1976	0.75	5%	
1975	0.71		

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 23,475,000	$25.03
1978	19,962,000	22.18
1977	17,923,000	20.40
1976	15,397,000	19.23
1975	13,862,000	17.36

‡ Adjusted to reflect stock dividends.

Income Account*

Year ended	2/23/80	2/24/79
Net sales	$368,679,000	$318,263,000
Cost of sales	309,185,000	265,981,000
Expenses	50,535,000	45,844,000
Interest & other debt exp.	1,945,000	1,814,000
Income before taxes	$ 7,014,000	$ 4,624,000
Income taxes	3,130,000	1,940,000
Net Income	$ 3,884,000	$ 2,684,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,344,000 in 1979 and $3,126,000 in 1978.

Assets

As of	2/23/80	2/24/79
Cash	$ 5,327,000	$ 6,654,000
U.S. Treasury bills	—	5,500,000
Accts. receiv., net	1,991,000	1,389,000
*Inventories	21,489,000	20,244,000
Prepaid exp. & supplies	1,777,000	1,099,000
Current Assets	$ 30,584,000	$ 34,886,000
Investments	1,913,000	1,886,000
≠ Fixed assets	27,560,000	27,449,000
Total Assets	$ 60,057,000	$ 64,221,000

Liabilities

Long-term debt, curr.	$ 490,000	$ 482,000
Accts. payable	11,238,000	17,576,000
Accrued compensation	1,203,000	868,000
Oblig. under cap. leases, curr.	259,000	304,000
Income taxes	1,140,000	2,004,000
Other taxes	1,274,000	1,035,000
Curr. Liabilities	$ 15,604,000	$ 22,269,000
Long-term debt	12,950,000	13,711,000
Deferred compensation	557,000	409,000
Deferred inc. taxes	1,365,000	1,162,000
Oblig. under cap. leases	6,106,000	6,708,000
+ Common stock	4,689,000	4,091,000
Add. paid-in capital	5,246,000	3,984,000
Retained earnings	13,540,000	11,887,000
Total Liabilities & Shareholders' Equity	$ 60,057,000	$ 64,221,000

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation & amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.90	1.45
%Net Income to Sales	1.05	0.84
%Net Income to Equity	16.55	13.45
Sales to Inventories	17.16	15.72
Working Capital	$ 14,980,000	$ 12,617,000
Current Ratio	1.96	1.57
Shareholders' Equity	$ 23,475,000	$ 19,962,000

Goldblatt Bros., Inc.

333 South State Street
Chicago, Illinois 60604
(312) 786-2000

Officers: Louis C. Duncan, chairman of the board & president & chief executive officer; Gerald P. Buccino, exec. v.p., chief financial officer, chief admn. officer & secretary; Gilbert J. Mintz, sr. v.p.-sales promotion & public relations; Julian P. Greenberg, sr. v.p.-merchandising; John Vlad, Irwin S. Selin, vice presidents; Robert N. Beck v.p.-administration; Lionel Goldblatt, v.p.-real estate leasing & concessions; Richard L. Lewis, v.p.-personnel; James W. McKeever, v.p. & corp. controller; Evelyn P. Egan, treasurer & asst. secretary; Clifford Harstad, asst. secretary.

Directors: Lionel Goldblatt*, Maurice Goldblatt*, Stanford J. Goldblatt*, Miles Berger, Gerald P. Buccino*, Louis C. Duncan*, Robert A. Helman, Paul T. Kessler, Jr.*, Leonard H. Solomon.

* Member of Executive Committee.

Business Activities: Operates a chain of department stores in Illinois, Indiana, Michigan and Wisconsin, under the names of Goldblatt's and Wasson's. Also operates Furniture Showroom Home Centers and a Home Improvement Do-It-Yourself Store.

Goldblatt Bros. Inc.

Subsidiaries:

Boy Carriers, Inc.
5630 W. Belmont
Chicago, Illinois 60634

Capital & Vermont Realty Corp
2-10 W. Washington
Indianapolis, Indiana 46204

Driver Service, Inc.
333 South State Street
Chicago, Illinois 60604

Transfer Agent(s):

First National Bank of Chicago
Chicago, Illinois

National Bank of North America
New York, New York

Stock Exchange(s): American, Midwest

Ticker Symbol: GDB

Number of Stores: (at fiscal year end)

1980	42	1977	45
1979	46	1976	46
1978	45		

Sales and Earnings

	Net Sales	Net Income
1980	$306,592,127	$ (6,620,053)
1979	304,616,784	(1,726,000)
1978	290,577,432	141,000
1977	285,423,025	1,830,000
1976*	277,397,120	1,625,000

	No. of Com. Shares	Earn. per Share ‡
1980	3,042,538	$ —
1979	3,042,538	
1978	3,042,538	0.05
1977	3,042,538	0.60
1976*	3,042,538	0.53

(Loss)
* 53 weeks.
‡ Based on average number of shares outstanding during each year.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.08	—	—
1978	0.26	—	—
1977	0.27	—	—
1976	0.27	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 33,496,000	$11.01
1979	40,116,000	13.19
1978	42,086,000	13.83
1977	42,739,000	14.05
1976	41,731,000	13.72

Income Account

Year ended	1/26/80	1/27/79
Net sales	$306,592,127	$304,616,784
Cost of sales	223,843,625	222,932,239
Expenses	81,622,499	79,873,768
Interest exp.	7,930,191	5,562,232
Gain on sale	(834,931)	—
Prov. for store clos.	4,520,796	—
Loss before taxes	$ (10,490,053)	$ (3,751,455)
Tax benefit	(3,870,000)	(2,025,000)
Net Loss	$ (6,620,053)	$ (1,726,455)

Assets

As of	1/26/80	1/27/79
Cash	$ 21,929,650	$ 7,165,708
Receiv., net	7,614,681	54,852,981
*Inventories	30,088,815	34,941,227
Prepaid expenses	1,258,006	1,824,652
Refundable inc. taxes	163,059	2,517,526
Land for resale	—	433,972
Current Assets	$ 61,054,211	$101,736,066
Surrender value of life ins. & other investments	1,050,212	887,133
≠Fixed assets	31,024,670	34,017,849
Cap. lease prop.	19,646,507	21,226,333
Total Assets	$ 112,775,600	$157,867,381

Liabilities

Note payable	$ 9,500,000	$ 33,500,000
Long-term debt & cap. lease oblig., curr.	1,346,978	3,421,961
Accts. payable	18,150,265	19,342,220
Accruals	15,892,715	14,438,096
Income taxes	1,310,126	4,706,549
Res. for store clos.	2,183,490	61,941
Curr. Liabilities	$ 48,383,574	$ 75,470,767
Long-term debt	4,097,225	14,350,018
Deferred credit & deferred inc. taxes	2,431,557	2,761,447
Cap. lease oblig.	24,367,332	25,169,184
+Common stock	6,109,076	6,109,076
Add. paid-in capital	1,584,774	1,584,774
Retained earnings	25,802,062	32,422,115
Total Liabilities & Shareholders' Equity	$112,775,600	$157,867,381

* At lower of cost (69% at LIFO; 31% at FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $2 par value.

Statistical Summary

Sales to Inventories	10.19	8.72
Working Capital	$ 12,670,637	$ 26,265,299
Current Ratio	1.26	1.35
Shareholders' Equity	$ 33,495,912	$ 40,115,965

Gordon Jewelry Corporation

820 Fannin Street
Houston, Texas 77002
(713) 222-8080

Officers: Harry B. Gordon, chairman of the board; Aron S. Gordon, president; I.L. Miller, sr. v.p., Jacob A. Cohen, Daniel P. Gordon, sr. v.p.'s-operations; W. Lowry Barfield, sr. v.p.-finance & secretary-treasurer; James C. Gordon, v.p.-merchandising; Larry T. Hampton, v.p.-credits; Leonard Schneider, Joe F. Williams, Edward Jaben, Kenneth Scher, Robert A. Miller, Jr., v.p.'s; Alvin M. Stephens, controller; James E. Ferguson, Reginald J. Kennerty, William B. Sheil, asst. v.p.'s; Lee C. Munke, asst. secretary & asst. treasurer.

Directors: Harry B. Gordon, Aron S. Gordon, I.L. Miller, James C. Gordon, Jacob A. Cohen, Edward F. Clark, Jr., W. Lowry Barfield, Herbert J. Frensley, Daniel P. Gordon, John E. Whitmore.

Business Activities: Operates a chain of jewelry stores and leased fine jewelry departments throughout the United States and Puerto Rico. The names of the company's traditional jewelry stores are: Citizens, Feder's, Lawton's, Linz Bros., Mermond-Jaccard-King, D.P. Paul, Rost, Stelfox, Stief-Jaccard's, Sweeney's, and J. Herbert Hall Jewelers. The names of the company's contemporary jewelry stores are: Gordon's Jewelers and Daniel's Jewelers. The Company also operates a chain of catalog-showroom stores and a School Service Division (the Star Engraving Company of Houston, Texas) which manufactures and sells engraved and printed paper products and jewelry for the school market.

Division(s):

Contemporary Jewelry Stores Division
Traditional Jewelry Stores Division
Catalog-Showroom Stores Division
Leased Fine Jewelry Departments Division
School Services Division

Transfer Agent(s):

Texas Commerce Bank, N.A.
Houston, Texas

Stock Exchange(s): New York

Ticker Symbol: GOR

Number of Stores: (at fiscal year end)

	Jewelry Stores	Leased Dept.	Merchandise Distributing	Furniture Stores
1979	449	49	28	
1978	384	46	26	
1977	344	20	23	
1976	326	28	21	5
1975	300	22	21	5

Sales and Earnings

	Net Sales	Net Income
1979	$362,587,444	$ 27,197,484
1978	282,460,945	19,043,394
1977	225,889,111	14,484,240
1976	197,237,891	10,775,540
1975	173,325,599	10,576,474

	No. of Com. Shares‡	Earn. per Share ≠
1979	5,514,314	$4.91
1978	5,495,933	3.45
1977	5,460,388	2.65
1976	5,444,706	1.97
1975	5,443,096	1.94

‡ Class A and Class B stock combined.
≠ Based on average number of common and common equivalent shares outstanding.

Revenues by Line of Business

	1979	1978	1977	1976
Contemporary stores	39%	37%	36%	34%
Catalog-Showroom Stores	25	27	28	27
Traditional stores	30	31	29	30
Other	6	5	7	9
	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979 Class A	$0.58	—	—
1978 Class A	0.49	—	—
Class B	0.005	—	—
1977 Class A	0.38	—	—
Class B	0.02	—	—
1976 Class A	0.32	—	—
Class B	0.02	—	—
1975 Class A	0.32	—	—
Class B	0.02	—	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$153,763,869	$27.88
1978	129,587,586	23.58
1977	112,870,065	20.67
1976	100,073,014	18.38
1975	90,630,232	16.65

‡ Based on common stock Classes A and B combined.

Income Account*

Year ended Aug. 31	1979	1978
Net sales	$362,587,444	$282,460,945
Cost of sales	190,241,023	154,832,912
Expenses	114,534,213	87,339,055
Interest expense	6,394,724	3,265,584
Income before taxes	$ 51,417,484	$ 37,023,394
Income taxes	24,220,000	17,980,000
Net Income	$ 27,197,484	$ 19,043,394

* Included in Costs and Expenses. Depreciation and Amortization: $3,572,656 in 1979 and $2,847,160 in 1978.

Assets

As of Aug. 31	1979	1978
Cash	$ 5,695,323	$ 7,831,337
Accts. receiv., net	50,708,329	36,080,932
Other receiv.	2,544,478	1,882,490
*Inventories	197,244,668	7,965,313
Prepaid expenses	201,569	189,997
Current Assets	$256,394,367	$223,950,069
Investments	1,953,432	1,804,850
≠Fixed assets	33,904,202	30,338,952
Other assets	8,507,131	8,648,615
Total Assets	$300,759,132	$264,742,486

Liabilities

Notes payable	$ 7,847,411	$ 27,366,194
Accts. payable	51,213,463	52,817,096
Accruals	5,816,755	5,211,782
Income taxes	17,950,000	13,990,000
Curr. Liabilities	$ 82,827,629	$ 99,385,072
Long-term debt	64,167,634	35,769,828
+Common stock	5,514,314	5,495,933
Add. paid-in capital	21,330,012	21,175,774
Retained earnings	126,919,543	102,915,879
Total Liabilities & Shareholders' Equity	$300,759,132	$264,742,486

* At lower of cost or market.
≠ Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.18	13.11
%Net Income to Sales	7.50	6.74
%Net Income to Equity	17.69	14.70
Sales to Inventories	1.84	1.59
Working Capital	$173,566,738	$124,564,997
Current Ratio	3.10	2.25
Shareholders' Equity	$153,763,869	$129,587,586

W.R. Grace & Co.

Grace Plaza
1114 Avenue of the Americas
New York, New York 10036
(212) 764-5555

Officers: Felix E. Larkin, chairman of the board; George W. Blackwood, vice chairman & chief operating officer; J. Peter Grace, president & chief executive officer; John F. Spellman, executive vice president & chief financial officer; Robert H. Anderson, Robert M. Coquillette, Charles H. Erhart, Jr., Carl N. Graf, Lloyd L. Jaquier, Harold R. Logan, D. Walter Robbins, Jr., executive vice presidents; Albert A. Eustis, sr. vice president, general counsel & secretary; Richard L. Bowditch Jr., sr. vice president & treasurer; Charles E. Brookes, Robert A. Clabault, Martin A. Dale, Thomas M. Doyle, Donald E. Grimm, Lawrence C. McQuade, Jack Rimmer, Anwar S. Soliman, George J. Winchell, sr. v.p.'s; Kenneth G. Gilkey, v.p. & controller; Melvin L. Adler, Francis J. Brennan, Henry C. Conrad, E. Harold Culp, James A. Doyle, Charles H. Ehlers, Francis D. Flanagan, Gerald G. Garbacz, O. Benjamin Hander, Adley W. Hemphill, Robert E. Herlihy, John Hirsch, Christian F. Horn, Leonard Kamsky, Robert J. Kunze, Carl W. Lorentzen, Robert A. Miller, Antonio Navarro, William F. Reilly, Roger V. Rowe, Robert W. Samuels, Klaus G. Scheye, Richard G. Shapiro, John L. Sisk, Leonard V. Triggiani, Edward H. Tutan, Laurence R. Veator Jr., Rodney M. Vining, vice presidents.

Directors: Felix E. Larkin, J. Peter Grace, Allen S. Ruples, Henry G. Parks, Jr., George P. Gardner, Jr., Paul F. Hellmuth, Frank E. Mackle, Jr., Charles W. Miller, Roger Milliken, Harold A. Eckmann, Raymond C. Foster, John E. Haigney, George P. Jenkins, John D.J. Moore, Harold A. Stevens, David L. Yunich, Cornelius W. Owens, William Wood Prince, John A. Puelicher, Eben W. Pyne, George W. Blackwood, D. Walter Robbins, Jr., Mark C. Feer, Friedrich Karl Flick, Werner Kneip, John E. Phipps, Carl N. Graf*, Harold R. Logan*, Alexander T. Daignault, Klaus Goffe, Lloyd L. Jacquier*

* Rotating Directors.

Business Activities:

Retail Activities: Operates 88 retail sporting goods stores under the name Herman's World of Sporting Goods in 13 states from New England to Virginia and West to Wisconsin and Illinois. 225 home improvement centers are operated through Channel with 80 home centers in the Northeast Handy City with 39 home centers in the Southeast. Handy Dan with 96 home centers in the Southwest and West and Orchard Supply Hardware with 10 home centers in California. Operates 6 Sheplers stores in a worldwide catalog business specializing in leisure wear with a Western motif. Operates 54 J.B. Robinson Jewelry Stores and 36 Bermans leather apparel units.

Restaurant Activities: Operates Far West Services with 193 coffee shops, dinner houses and theme restaurants in 14 states from California to Connecticut; El Torito-La Fiesta, consisting of 48 Mexican-style restaurants in five states. Del Taco Corporation, a subsidiary with 151 Mexican fast food outlets in Georgia and Texas; and Gilbert/Robinson with 42 specialty dinner houses in 11 states from California to New Jersey.

Chemical Activities: Industrial and specialty chemical operations encompass a broad range of products including container sealants and application equipment, auto exhaust catalysts for pollution control and petroleum cracking catalysts for the refining industry, flexible plastic packaging materials and equipment, printing blankets and letterpress plates from commercial and newspaper presses, battery separators for automotive storage batteries, concrete admixtures and insultating materials for construction; chelating agents and surfactants used in textile processing and soap manufacture; instituttuional and industrial cleaning compounds; and water and waste treatment chemicals for industrial and municipal water systems.

Natural Resource Activities: Exploration, development and production of new domestic wources of energy-oil, gas and coal, specialized oil fields services and pulp and paper manufacturing.

Operating Groups & Divisions:

- Agricultural Chemicals Group
- Chemed Corporation
- General Industrial Products Group
- Industrial Chemicals Group
- Natural Resources Group
- Technical Products Group

Restaurant Group
- Del Taco Corporation
- El Torito-La Fiesta
- Far West Services
- Gilbert/Robinson

Retail Group
- Herman's World of Sporting Goods
- Channel
- Handy City
- Orchard Supply Hardware
- Sheplers

Acquisition(s):

Berman Buckskin
A specialty retailer of leather goods, which operates 29 stores in Minnesota, Iowa, Illinois, Indiana and Wisconsin.

Angels and Handy Dan
86 home centers in 11 states. Also operates 156 Diana stores, specializing in women's sportswear in 10 states.

Transfer Agent(s):

Marine Midland Bank
2 Broadway
New York, New York 10004

Stock Exchange(s)*: New York, Midwest, Pacific, Boston, Cincinnati, Philadelphia, Amsterdam, Basle, Frankfurt, Geneva, Hamburg, Lausanne, London, Paris, Zurich.

* Listed and/or traded.

Ticker Symbol: GRA

Number of Stores: (at fiscal year end)

	Retail Outlets	Restaurants
1979	564	430
1978	477	257
1977	411	208
1976	375	177
1975	352	164

Sales and Earnings ‡‡

	Net Sales ‡ (000's)	Net Income (000's)
1979	$ 5,266,629	$ 222,580
1978	4,448,184	171,197
1977	4,167,961	145,952
1976	3,779,251	134,649
1975	3,721,614	177,531

	No. of Com Shares ≠	Earn. per Shares ≠
1979	42,249,000	$4.79
1978	42,795,000	3.72
1977	42,407,000	3.20
1976	42,307,000	2.96
1975	38,182,000	4.25

‡ Includes operating revenues.
≠ Based on the weighted average number of common shares and common share equivalents outstanding.
‡‡ Restated to reflect change in accounting method and to include operations of companies acquired on a pooling of interests basis.

Revenues by Line of Business
(000's)

	1979	1978
Chemical:		
Specialty	$ 1,682,999	$ 1,520,000
Chemed	322,000	297,000
Agriculture	683,000	549,000
Natural resources	456,000	316,000
Consumer:		
Specialty retailing	891,000	485,000
Restaurant	320,000	242,000
Other	913,000	1,039,000
Total	$ 5,267,000	$ 4,448,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.975	—	—
1978	1.85	—	—
1977	1.775	—	—
1976	1.70	—	—
1975	1.625	—	—

Common Stock Equity ‡‡

	Total Equity ‡	Equity Per Share
1979	$1,563,402,000	$34.74
1978	1,396,356,000	31.72
1977	1,254,190,000	29.45
1976	1,176,189,000	27.79
1975	1,101,651,000	26.04

‡ After allowing for preferred stock at stated value.
‡‡ Restated to reflect change in accounting method and to include operations of companies acquired on a pooling of interests basis.

Income Account
(000's)

Year ended Dec. 31	1979	1978 ‡
Net sales	$ 5,266,629	$ 4,448,184
Other income	41,815	22,069
Minority interest	1,406	9,378
Total income	$ 5,309,850	$ 4,479,631
Cost of sales	3,475,458	2,989,889
Expenses	1,109,502	876,426
Depreciation & depletion	168,591	160,824
Research & devel.	45,672	40,547
Interest expense	106,256	83,381
Gains on disposal of business	(12,764)	(7,982)
Foreign exchange losses	5,252	13,806
Income before taxes	$ 411,883	$ 322,740
Income taxes	189,303	151,543
Net Income	$ 222,580	$ 171,197

‡ Restated to reflect change in accounting method and to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

	1979	1978 ‡
Cash	$ 146,459	$ 135,167
Marketable securities	7,698	127,993
Notes & accts. receiv., net	729,401	629,861
*Inventories	767,440	712,005
Other assets	49,408	34,185
Current Assets	$ 1,700,406	$ 1,639,211
Investments	81,247	95,403
Construc. advances for cap. assets	58,422	25,813
# Fixed assets	1,629,361	1,293,231
Long term receiv. & other assets	211,411	174,364
Intangibles	48,006	67,327
Total Assets	$ 3,728,853	$ 3,295,349

Liabilities
(000's)

	1979	1978 ‡
Comm. paper	$ 19,750	$ —
Loans payable	244,815	236,383
Accts. payable	446,877	363,085
Income taxes	150,183	120,779
Other liabilities	203,509	171,249
Curr. Liabilities	$ 1,065,134	$ 891,496
Long-term debt	839,802	775,825
Foreign social law oblig. & liabilities	86,097	71,790
Minority interest	23,252	21,065
Deferred inc. taxes	142,286	129,907
+ Preferred stock	8,880	8,910
+ + Common stock	45,001	44,017
Add. paid-in capital	422,896	394,794
Retained earnings	1,095,505	957,545
Total Liabilities & Shareholders' Equity	$ 3,728,853	$ 3,295,349

‡ Restated to reflect change in accounting method and to include operations of companies acquired on a pooling of interests basis.
* At lower of cost or market.
# Less accumulated depreciation and depletion.
+ $100 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.82	7.26
%Net Income to Sales	4.23	3.85
%Net Income to Equity	14.16	12.18
Working Capital	$ 635,272,000	$ 747,715,000
Current Ratio	1.60	1.84
Shareholders' Equity	$1,572,282,000	$1,405,266,000

Grafton Group Limited

(39.3% owned by Greywinds
Investments Limited)

9 Sunlight Park Road
P.O. Box 108
Postal Station G
Toronto, Ontario M4M 3G1, Canada
(416) 461-9411

Officers: W.P. Gilbride, chairman; G.R. Chater, president; W.A. Heaslip, T.E. Topping, exec. v.p.'s; G.A. Reynolds, v.p.-finance, secretary & treasurer.

Directors: Charles A. Cadieux, G. Richard Chater*, W. Preston Gilbride*, William A. Heaslip*, William F. James, James W. McCutcheon*, Stewart Philp*, John B. Ridley*, Sam Foster Ross, George A. Reynolds*, T. Edward Topping, David B. Weldon*, Douglas C. Woolley, Thomas R. Young.

* Member of Executive Committee

Business Activities: The Company is a specialty retailer of apparel and footwear. Men's and boys' wear is sold through leased departments in each of the 105 Woolco Stores in Canada. Men's wear is sold through 109 Jack Fraser Stores. Junior ladies' sportswear is sold through 83 Loft Departments and 9 Sideffects Stores. Footwear is sold in 195 stores under the names of Maher, Reid Copp, Bonita, Barcley-Lanes and others.

Division & Subsidiaries:

Woolco Division
Jack Fraser Stores Division
Grafton-Fraser Inc.
George Richards Kingsize Clothes Limited (50% interest)
Toby Industries Limited
Grafton Realty Company, Limited
Maher Inc.
James B. McGregor Division
Forsyth Trading Company Limited (joint venture: 33⅓% interest)
Barcley-Lanes Shoes
McGregor Division
SeiFert's Incorporated
Oak Bay Corporation

Transfer Agent(s):

Guaranty Trust Company of Canada

Stock Exchange(s): Toronto

Ticker Symbol: GFGT

Number of Retail Units: (at fiscal year end)

	Apparel Stores	Leased Depts.	Shoe Store
1980	121	105	195
1979	96	100	183
1978	89	93	176
1977	80	86	196
1976	79	79	203

Sales and Earnings

	Net Sales	Net Income +
1980	$240,694,000	$ 18,210,000
1979	194,255,000	14,993,000
1978	169,683,000	11,258,000
1977	154,988,000	8,869,000
1976	139,248,000	8,531,000

	No. of Com. Shares ‡	Earn. per Share ‡†
1980	6,246,340	$2.61
1979	6,060,304	2.10
1978	5,748,708	1.46
1977	5,686,256	1.12
1976	5,676,780	1.07

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.
† Excluding extraordinary gain in 1978; assuming full dilution.
+ Including extraordinary gain of $246,000 ($0.09 per share) in 1978.

Revenues by Line of Business

	1980	1979
Retail		
Apparel	$174,335,000	$138,870,000
Footwear	49,802,000	41,231,000
Homefurnishings	16,557,000	14,154,000
Total	$240,694,000	$194,255,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.39	—	
1979	0.38	—	—
1978	0.335	—	3-for-2
1977	0.236	—	—
1976	0.20	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 74,580,000	$11.94
1979	59,757,000	9.86
1978	43,643,000	7.59
1977	33,891,000	5.96
1976	26,281,000	4.63

‡ Based on weighted average number of shares outstanding. Adjusted to reflect stock split.

Income Account

Year ended Jan. 31	1980	1979
Net sales:		
Retail	$224,137,000	$180,101,000
Mfg.	16,557,000	14,154,000
Total Revenues	$240,694,000	$194,255,000
Cost of sales & expenses	205,724,000	165,122,000
Depreciation	2,994,000	2,007,000
Amortization of goodwill	299,000	142,000
Interest expense	3,138,000	1,805,000
Misc. income	(3,314,000)	(1,985,000)
For. exch. loss	38,000	—
Income before taxes	$ 31,815,000	$ 27,164,000
Income taxes	13,511,000	12,077,000
Pref. div. paid to minority shareholders	94,000	94,000
Net Income	$ 18,210,000	$ 14,993,000

Assets

As of Jan. 31	1980	1979
Cash	$ 24,530,000	$ 30,638,000
Marketable securities	35,568,000	8,629,000
Accts. receiv., net	11,398,000	6,257,000
*Inventories	45,005,000	32,583,000
Prepaid exp. & deposits	694,000	669,000
Deferred inc. taxes	1,230,000	—
Current Assets	$118,425,000	$ 78,776,000
Investments	10,427,000	6,477,000

#Fixed assets	21,500,000	13,452,000
Unamort. fin. costs	314,000	345,000
Intangibles	19,412,000	5,005,000
Total Assets	$170,078,000	$104,055,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 382,000	$ —
Accts. payable & accruals	31,610,000	18,208,000
Income & other taxes	16,674,000	7,971,000
Curr. Liabilities	$ 48,666,000	$ 26,179,000
Long-term debt	41,853,000	15,900,000
Cap. lease oblig.	2,590,000	—
Pref. shares held by minority shareholders	1,413,000	1,413,000
Deferred inc. taxes	976,000	806,000
+Common stock	12,598,000	12,612,000
Retained earnings	61,982,000	47,145,000
Total Liabilities & Shareholders' Equity	$170,078,000	$104,055,000

* Realizable inventories at lower of cost or market and net realizable value, less normal profit margin. Raw materials at lower of cost and replacement cost.

Less accumulated depreciation.

+ No par value

Statistical Summary

%Income bef. Taxes to Revenues	13.22	13.98
%Net Income to Revenues	7.57	7.72
%Net Income to Equity	24.42	25.09
Working Capital	$ 69,759,000	$ 52,597,000
Current Ratio	2.43	3.01
Shareholders' Equity	$ 74,580,000	$ 59,757,000

Grand Auto, Inc.

7200 Edgewater Drive
Oakland, California 94621
(415) 568-6500

Officers: Irving E. Krantzman, president & chairman of the board; Max M. Brown, sr. exec. v.p.; Robert M. Stander, exec. v.p.; Harry M. Roy, sr. v.p.-store operations; Earl L. Eastin, v.p.-Super G; Albert T. Schneider, v.p.-new store development; John F. Goodsell, v.p.-finance & treasurer; Robert Seymour, v.p.-merchandising; Ellington Owensby, v.p.-construction; R. N. Stefan, secretary.

Directors: Irving E. Krantzman, chairman; Max M. Brown, Simon I. Brown, Merle M. Krantzman, John F. Holman, Raymond Bolton, Barry S. Garfinkle.

Business Activities: Operates a chain of company-owned automotive supply stores located in California and Nevada. The company has three operating divisions within its framework. Grand Tire and Rubber Company supplies tires and batteries to tire distributors and dealers throughout California. Super G Automotive sells automotive parts and accessories wholesale to jobbers, independents and mass merchandisers and Super Tire operates six discount tire stores.

Transfer Agent(s):

The Bank of California
San Francisco, California
New York, New York

Stock Exchange(s): American, Pacific

Ticker Symbol: GAI

Number of Stores:* (at fiscal year end)

1980	69	1977	57
1979	64	1976	57
1978	62		

Sales and Earnings

	Net Sales	Net Income
1980	$ 92,745,774	$ 2,027,096
1979	83,405,889	1,652,000
1978	75,252,496	709,000
1977*	68,445,075	1,061,000
1976	55,034,025	1,016,000

	No. of Com. Shares	Earn. per Share #
1980	966,655	$2.10
1979	962,455	1.72
1978	959,655	0.74
1977	959,655	1.11
1976	959,655	1.06

* 53 weeks.

Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.34	—	—
1979	0.30	—	—
1978	0.30	—	—
1977	0.20	—	—
1976	0.15	—	

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,466,689	$14.97
1979	12,747,340	13.24
1978	11,368,374	11.85

Income Account

Year ended	1/27/80	1/28/79
Net sales	$ 92,745,774	$ 83,405,889
Cost of sales	61,676,722	56,539,086
Expenses	22,920,740	20,356,445
Depreciation & amortization	1,555,025	1,454,223
Interest expense	2,245,165	1,528,230
Prov. for doubtful accounts	566,026	403,791
Income before taxes	$ 3,782,096	$ 3,124,114
Income taxes	1,755,000	1,472,000
Net Income	$ 2,027,096	$ 1,652,114

Assets

As of	1/27/80	1/28/79
Cash	$ 752,476	$ 1,058,589
Accts. receiv., net	8,660,824	7,828,796
Prop. held for develop.	219,910	226,756
*Inventories	18,406,064	15,982,614
Prepaid expenses	656,117	620,724
Current Assets	$ 28,695,391	$ 25,717,479
#Fixed assets	20,121,566	14,977,470
Other assets	1,072,974	969,644
Total Assets	$ 49,889,931	$ 41,664,593

Liabilities

Notes payable	$ 2,500,000	$ 900,000
Long-term debt, curr.	44,879	254,638
Oblig. under cap. leases, curr.	211,836	193,234
Accts. payable	4,455,819	3,412,785
Accruals	6,219,212	5,017,597
Income taxes	1,103,038	2,067,418
Other taxes	1,236,546	1,125,939
Curr. Liabilities	$ 15,771,330	$ 12,971,611
Long-term debt	11,934,756	9,079,962
Oblig. under cap. leases	7,203,292	6,567,483
Deferred income	513,864	298,197
+Common stock	966,655	962,455
Add. paid-in capital	2,961,539	2,945,089
Retained earnings	10,538,495	8,839,796
Total Liabilities & Shareholders' Equity	$ 49,889,931	$ 41,664,593

* At cost (LIFO)

Less accumulated depreciation & amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	4.08	3.75
%Net Income to Sales	2.19	1.98
%Net Income to Equity	14.01	12.96
Sales to Inventories	5.04	5.22
Working Capital	$ 12,924,061	$ 12,745,868
Current Ratio	1.82	1.98
Shareholders' Equity	$ 14,466,689	$ 12,747,340

Gray Drug Stores, Inc.

666 Euclid Avenue
Cleveland, Ohio 44114
(216) 696-2070

Officers: Jerome A. Weinberger, chairman & chief exec. officer; Frederick W. Barney, president & chief operating officer; James McClimans, exec. v.p.-adm.; James E. Traxler, Howard Jones, Edward P. Habegger, vice presidents; Donald M. Israel, v.p.-finance & treasurer; Carl L. Jesina, v.p. & secretary; Albert F. Hanzlick, controller; Paul Grilli, asst. controller; Donald E. Collins, asst. secretary.

Directors: Jerome A. Weinberger*, Louis Berwitt, Walter B. Waetjen*, M. Brock Weir*, James McClimans, Sanford B. Noll*, Frederick W. Barney, Joseph T. Bailey, Herbert J. Hansell*, William E. MacDonald.

* Member of Executive Committee.

Business Activities: Operates a chain of drug stores, discount drug centers, leased drug departments, and discount department stores. Also operates a large photo developing plant in Columbus under the name of Superior Laboratories.

Division(s):

Drug Division
666 Euclid Avenue
Cleveland, Ohio 44114
(216) 696-2070
Conventional drug stores, discount drug stores and leased drug departments located in New York, Pennsylvania, Ohio, Michigan, Indiana, Kentucky and Florida.

Discount Department Store Division
3115 Frenchmens Road
Toledo, Ohio 43607
(419) 531-9941
Operates Rink's Discount Department stores in Michigan, Ohio and Kentucky.

Transfer Agent(s):

Ameri Trust Company
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: GRY

Number of Retail Units: (at fiscal year end)

	Drug Stores	Dept. Stores
1979	213	45
1978	191	41
1977	177	40
1976	169	40
1975	170	39

Gray Drug Stores, Inc.

Sales and Earnings

	Net Sales	Net Income
1980*	$452,776,655	$ 4,716,861
1979	406,525,492	4,383,795
1978	355,730,652	6,173,260
1977	316,301,265	5,375,931
1976	292,382,504	4,603,748

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,602,493	$1.81
1979	2,581,424	1.70
1978	2,537,395	2.43
1977	2,513,680	2.14
1976	2,499,901	1.84

* 53 weeks.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.80		
1979	0.80	—	2-for-1
1978	0.633	—	
1977	0.467		
1976	0.35	—	

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 53,339,848	$20.43
1979	50,554,118	19.52
1978	47,829,617	18.73
1977	43,067,887	17.06
1976	38,795,359	15.47

† Adjusted to reflect stock split.

Income Account

Year ended	5/3/80 (53 weeks)	4/28/79
Net sales	$452,776,655	$406,525,492
Other income	4,820,589	3,074,960
Total income	$457,597,244	$409,600,452
Cost of sales	319,344,116	286,059,793
Expenses	116,603,850	102,185,605
Depreciation & amortization	6,353,029	6,106,822
Interest expense	7,180,388	7,032,437
Income before taxes	$ 8,115,861	$ 8,215,795
Income taxes	3,399,000	3,832,000
Net Income	$ 4,716,861	$ 4,383,795

Assets

As of	5/3/80	4/28/79
Cash	$ 2,682,792	$ 6,644,897
Accts. receiv., net	4,141,664	3,703,352
*Inventories	96,635,150	90,618,624
Refundable inc. taxes		1,717,617
Prepaid expenses	3,024,531	2,388,737
Current Assets	$106,484,137	$105,073,227
#Fixed assets	19,250,739	16,212,286
Leased prop. under cap. leases	35,347,629	36,544,399
Other assets	465,518	466,870
Intangibles	5,087,101	5,087,101
Deferred inc. taxes	4,410,700	4,609,400
Total Assets	$171,045,824	$167,993,283

Liabilities

Notes payable	$ 4,000,000	$ —
Long-term debt, curr.	1,300,000	1,300,000
Cap. lease oblig., curr.	2,875,590	2,932,661
Accts. payable	33,178,584	36,044,400
Accruals	6,577,057	6,076,746
Accrued payroll	5,516,970	4,951,079
Income taxes	1,518,948	1,367,836
Curr. Liabilities	$ 54,967,149	$ 52,672,722
Long-term debt	19,800,000	21,100,000
Cap. lease oblig.	42,938,827	43,666,443
+Common stock	2,610,414	2,589,579
Add. paid-in capital	9,182,950	9,052,271
Retained earnings	41,546,484	38,912,268
Total Liabilities & Shareholders' Equity	$171,045,824	$167,993,283

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.79	2.02
%Net Income to Sales	1.04	1.08
%Net Income to Equity	8.84	8.67
Sales to Inventories	4.69	4.49
Working Capital	$ 51,516,988	$ 52,400,505
Current Ratio	1.94	1.99
Shareholders' Equity	$ 53,339,848	$ 50,554,118

The Great Atlantic & Pacific Tea Company, Inc.

Box 418
2 Paragon Drive
Montvale, New Jersey 07645
(201) 573-9700

Officers: James Wood, chairman of the board & chief exec. officer; Eckart C. Siess, vice chairman & asst. to the chairman & chief executive officer; David W. Morrow, president & chief operating officer; Allan A. Feder, sr. exec. v.p.-pres., mfg. group; John J. Miles, William I. Walsh, Lowell A. Peters, exec. v.p.'s; Richard F. Doyle, exec. v.p.-finance & chief financial officer; Robert B. Runyon, exec. v.p.-human resources; Willis D. Lonn, exec. v.p.-special projects; Richard J. Flositz, exec. v.p.-Atlantic Group; Willis D. Lonn, exec. v.p.-special projects; Rolf J. Schulz, exec. v.p.-management controls; John L. Dean, v.p.-management info. services; Ivor D. Donaldson, v.p.-property development; Gerald L. Good, v.p.-operations planning; H. Nelson Lewis, v.p.-industrial relations; Earl N. Pilgrim, v.p.-national purchasing; James T. Gow, Jr., v.p.-warehousing & distribution; Robert G. Ulrich, v.p. & general counsel; Michael J. Rourke, v.p.-corp. affairs; Ivan K. Szathmary, v.p.-info. & admin. systems; Fritz Teelen, v.p.-pres., PLUS Discount Foods, Inc.; Louis A. Savarese, v.p.-production; Lawrence W. Snyder, v.p.-merchandising; Arthur C. Melervey, secretary; Robert M. Quinn, controller; Philip E. Hoversten, treasurer; Harold N. Tolchinsky, asst. secretary.

Directors: Harold J. Berry, Walter D. Dance, Allan A. Feder, David W. Morrow, Hobart Taylor, Jr., Rosemarie Baumeister, Sidney A. Kohl, Eckart C. Siess, Helga Haub, Paul C. Nagel, Jr., Jonathan L. Scott, Barbara Barnes Hauptfuhrer, Fritz Teelen, Henry W. Van Baalen.

Business Activities: Operates a chain of supermarkets in the United States and Canada.

Transfer Agent(s):

Manufacturers Hanover Trust Company of New York
New York, New York

Stock Exchange(s): New York, Boston, Cincinnati, Detroit, Pittsburgh, Midwest, Phila-Balt-Wash.

Ticker Symbol: GAP

Number of Stores: (At fiscal year end)

1980	1,542	1977	1,978
1979	1,771	1976	2,074
1978	1,905		

Sales and Earnings

	Net Sales	Net Income +
1980	$6,684,179,000	$ (3,807,000)
1979	7,469,659,000	(52,186,000)
1978	7,288,577,000	569,000
1977	7,235,854,000	18,742,000
1976*	6,537,897,000	(32,000)

	No. of Com. Shares ‡	Earn. per Share ‡ +
1980	24,892,137	$ —
1979	24,892,084	
1978	24,892,084	0.02
1977	24,885,630	0.75
1976*	24,878,012	

(Loss)
* 53 weeks.
+ Including extraordinary gains of $7,580,000 ($0.30 per share) in 1977 and $1,800,000 ($0.07 per share) in 1976.
‡ Based on weighted average number of shares outstanding each year.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	
1979	0.05	—	
1978	0.15		
1977	—	—	
1976			—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$394,091,000	$15.83
1979	397,895,000	15.98
1978	451,326,000	18.13
1977	454,482,000	18.26
1976	435,623,000	17.12

Income Account *
(000's)

Year ended	2/23/80	2/24/79
Net sales	$ 6,684,179	$ 7,469,659
Cost of sales	5,241,050	5,865,637
Expenses	1,415,990	1,580,154
Oper. profit	$ 27,139	$ 23,868
Interest expense	26,281	34,454
Cost of Restructuring Program		51,669
Income (loss) bef. taxes	$ 858	$ (62,255)
Income taxes (credit)	4,665	(10,069)
Net Loss	$ (3,807)	$ (52,186)

* Included in Costs and Expenses, Depreciation and Amortization: $67,564,000 in 1980 and $74,432,000 in 1979.

Assets
(000's)

As of	2/23/80	2/24/79
Cash & short-term invest.	$ 63,937	$ 94,716
Accts. receiv., net	51,585	47,837
* Inventories	543,871	544,525
Prepaid expenses	6,498	6,156
Prop. held for devel. & sale	30,166	25,790
Current Assets	$ 696,057	$ 719,024
# Fixed assets	521,610	548,280
Other assets	12,855	13,922
Total Assets	$ 1,230,522	$ 1,281,226

Liabilities
(000's)

Long-term debt, curr.	$ 1,686	$ 1,593
Cap. lease oblig., curr.	11,877	11,715
Accts. payable	265,620	265,022
Facilities clos. res. & other accruals	67,866	87,308
Accrued payroll	81,197	86,138
Other taxes	33,818	41,055
Curr. Liabilities	$ 462,064	$ 492,831
Long-term debt	130,681	132,638
Deferred inc. taxes	1,990	1,667
Facilities clos. res. & other liab.	39,496	41,281
Obligations under capital leases	202,200	214,914
+ Common stock	24,893	24,892
Add. paid-in capital	377,301	377,299
Retained earnings (deficit)	(8,103)	(4,296)
Total Liabilities & Shareholders' Equity	$ 1,230,522	$ 1,281,226

* At lower of cost or market.
≠ Less accumulated depreciation.
+ $1 par value.

Statistical Summary

Sales to Inventories	12.29	
Working Capital	$233,993,000	$226,193,000
Current Ratio	1.51	1.46
Shareholders' Equity	$394,091,000	$397,895,000

Greenman Bros. Inc.

105 Price Parkway
Farmingdale, New York 11735
(516) 293-5300

Officers: Bernard Greenman, chairman of the board & chief exec. officer; Stewart Katz, president & chief operating officer; David Yankey, v.p.-finance & asst. secretary; Stanley Greenman, treasurer & secretary.

Directors: Bernard Greenman*, Stewart Katz*, Jack Greenman, Stanley Greenman*, George Schor, Stanley Strocker*; Joshua Biblowitz, Jerry Kassel.

*Member of the Executive Committee.

Business Activities: Owns and operates free-standing "Play World" retail stores located in Farmingdale & Hicksville, N.Y.; Miami, Fla.; and Birmingham, Ala. Also engaged in wholesaling of toys, games, hobby crafts, sporting goods and housewares.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York

Stock Exchange(s): American

Ticker Symbol: GMN

Number of Retail Units: (at fiscal year end)

	Leased Depts.	Stores
1979	7	12
1978	7	15
1977	6	15
1976	7	13
1975	21	7

Sales and Earnings

	Net Sales	Net Income
1980	$ 90,368,790	$ 534,418
1979*	78,669,226	254,000
1978	70,840,075	216,000
1977	68,502,305	1,307,000
1976	66,340,000	1,043,000

	No. of Com. Shares ‡	Earn. per Share †
1980	1,686,000	$0.32
1979	1,685,000	0.15
1978	1,685,000	0.13
1977	1,685,000	0.78
1976	1,673,000	0.62

* 53 weeks.
‡ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 17,429,000	$10.34
1979	16,892,000	10.03
1978	16,637,000	9.87
1977	16,421,000	9.75
1976	15,075,000	9.01

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 90,368,790	$ 78,669,226
Cost of sales	68,427,213	59,040,485
Expenses	18,797,199	17,613,140
Depreciation & amortization	550,120	504,378
Prov. for doubt. accts.	123,553	171,955
Interest expense	1,354,287	1,050,846
Income before taxes	$ 1,116,418	$ 288,422
Income taxes	582,000	34,000
Net Income	$ 534,418	$ 254,422

Assets

As of	2/3/79	1/28/78‡
Cash	$ 3,578,960	$ 3,842,002
Accts. receiv., net	9,573,514	8,803,063
Other receiv.	363,855	629,891
Refundable taxes		68,263
*Inventories	17,468,624	18,462,452
Prepaid expenses	493,772	533,250
Current Assets	$ 31,478,725	$ 32,338,921
≠Fixed assets	4,105,204	4,274,213
Prop. under cap. leases	1,839,616	1,964,568
Other assets	422,299	463,525
Total Assets	$ 37,845,844	$ 39,041,227

Liabilities

Long-term debt, curr.	$ 1,287,986	$ 1,287,990
Cap. lease oblig., curr.	122,630	112,819
Accts. payable	9,117,283	10,197,365
Accruals	2,175,105	1,893,994
Income taxes	474,224	
Curr. Liabilities	$ 13,177,228	$ 13,492,168
Long-term debt	5,166,272	6,454,253
Cap. lease oblig.	2,041,304	2,163,934
Deferred inc. taxes	32,000	39,000
+Common stock	168,696	168,496
Add. paid-in capital	8,502,538	8,499,988
Retained earnings	8,757,806	8,223,388
Total Liabilities & Shareholders' Equity	$ 37,845,844	$ 39,041,227

* At lower of cost (FIFO or retail method) or market.
≠ Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.24	0.37
%Net Income to Sales	0.59	0.32
%Net Income to Equity	3.07	1.51
Sales to Inventories	5.17	4.26
Working Capital	$ 18,301,497	$ 18,846,753
Current Ratio	2.39	2.40
Shareholders' Equity	$ 17,429,040	$ 16,891,872

Gulf + Western Industries, Inc.

1 Gulf + Western Plaza
New York, New York 10023
(212) 333-7000

Officers: Charles G. Bluhdorn, chairman of the board; David N. Judelson, president; Martin S. Davis, Don F. Gaston, executive vice presidents; Guy H. Pitts, senior vice president-manufacturing; Norman R. Forson, senior vice president & treasurer; Robert L. Jones, senior vice president, secretary & resident counsel; James F. Pierce, senior vice president & controller; Neil J. Call, Gerald I. Ritthaler, William M. Flatley, Lawrence E. Levinson, sr. v.p.'s; Milton B. Hollander, v.p.-technology; Henry F. Kelleher, v.p.-employee relations; Edward O. Fatberg, Alvaro L. Carta, Frank V. Rogers, George A. Longtin, James I. Spiegel, v.p.'s-operations; Edgar W. Levin, v.p.-market planning; Victor L. Nutt, George Yarbenet, Rolando Gonzalez-Bunster, vice-presidents.

Directors: Charles G. Bluhdorn*, David N. Judelson*, John H. Duncan*, Martin S. Davis*, Don F. Gaston*, Judd Leighton, Francis S. Levien, Dan W. Maddox, T.H. Nevland, Donald Oresman, Irwin Schloss, Samuel J. Silberman, George A. Smathers, Harold U. Zerbe*, Gerald E. Miller, Henry A. Walker, Jr., Peter Wray.

* Member of Executive Committee.

Business Activities: Gulf + Western's 8 operating groups are: Automotive Replacement Parts; Financial Services; Paper and Building Products; Manufacturing; Leisure Time; Natural Resources; Apparel and Home Furnishings; Consumer and Agricultural Products.

The Apparel and Home Furnishings Group, composed of Gulf + Western's wholly owned subsidiaries, Kayser-Roth Corporation and Simmons Company is engaged principally in the manufacture and marketing (primarily to retail stores) of a wide variety of apparel for men, women and children and specialty home furnishings; the manufacture and marketing at wholesale and retail of shoes for men and women; and the manufacture and marketing to manufacturers and retail stores of specialty textile products. Simmons, a home and institutional furnishings manufacturer, consists of two operating units: Simmons U.S.A., which primarily manufactures and markets bedding products in the U.S., and Simmons Universal, which manufactures and markets bedding products abroad and a variety of home and institutional products worldwide. These businesses are operated throughout the United States and some foreign countries and Kayser-Roth also licenses its brand names in many foreign countries in addition to direct sales. Kayser-Roth sells ladies' pantyhose and ladies' stockings under its "No-Nonsense," "Kayser," "Mojud," "Sheer Indulgence," and "Supp-hose" brands and under private labels; men's hosiery under the "Interwoven," "Sock-Sense," "Supp-hose," and "Esquire" brands; and other brands as well as under private labels.

Kayser-Roth manufactures and markets women's swimwear under "Catalina," "Cole of California," "Sandcastle," "Going Places," "Bay Club," and "Casa di Cole" and other brand names and under private labels, including jackets, blouses, pants, jeans, shirts, skirts, sweaters and tenniswear and outerwear under such brands as "Catalina" and "Interwoven," the "Arthur Ashe" label for Catalina and the "John Newcombe" label for Interwoven; also produces a variety of children's sportswear.

Gulf + Western Industries, inc.

Kayser-Roth manufactures and markets lingerie, nightwear, bras, panties and loungewear, which it sells under the "Kayser" and other brands and under private labels; also manufactures knitted apparel for boys, girls and infants, primarily consisting of private label sleepwear and underwear; also sells women's gloves and accessories under the Kayser label and under private labels.

Kayser-Roth manufactures and sells men's dress shirts and sport shirts under the "Oscar de la Renta," "Mr. California" and "John Weitz" labels and it also produces a private line of sport shirts and dress shirts for men and boys; manufactures men's suits, sports jackets, slacks, leisure suits and outerwear, men's belts, underwear, pajamas and accessory items under the "Paris" brand; manufactures ready-to wear clothing for the children's apparel market under the "Her Majesty" label.

Kayser-Roth manufactures men's and women's shoes and sells them to retailers and also operates its own men's retail shoe outlets. Kayser-Roth's retail shoe operations consist of men's retail stores leased and operated by Kayser-Roth which primarily use the Bostonian name, and men's shoe departments operated by Kayser-Roth as leased departments in men's wear specialty stores. Retail outlets are located throughout the United States. Men's shoes manufactured by Kayser-Roth are primarily sold under the "Bostonian," "Bostonian Footsaver," "Stetson," "London Character," "After Six" formal shoes, "Jack Nicklaus" golf shoes and "Bostonian Blazers" brands. Women's shoes, boots and sandals are manufactured and imported and are marketed under the "Sandler of Boston" brand.

Kayser-Roth manufactures interfacings, underlings and blankets. Also manufactures curtains and draperies and sells them under private label to chain stores. Kayser-Roth owns the rights to, and organizes, produces and administers, the Miss Universe and Miss USA beauty pageants which are conducted annually.

Simmons U.S.A. manufactures mattresses and boxsprings under the "Beautyrest" label, Hide-A-Bed sofas and other furniture; also sells "Elevations" furniture groupings and "Flotation" water beds. The "Elevations" groupings provide seating at three different heights to give greater diversity and flexibility for smaller areas.

Simmons Universal has five operating divisions: International; Decorative Fabrics, Wallcoverings and Accessories; Institutional Furnishings; Upholstered Furniture; and Casket. Thonet Industries manufactures stacking chairs. Greeff Fabrics, Katzenbach & Warren and Albert Van Luit & Company are active in the high-fashion wallcoverings market in the U.S. Simmons Juvenile Products produces high quality infant and youth furniture. Contemporary upholstered furniture is manufactured by Selig Manufacturing Company, featuring modular seating groups. "Bloomcraft," is a line of decorative fabrics, bedspreads and pillows; Debu/Flair manufactures upholstered furniture.

The Leisure Time Group is engaged in the production, syndication, financing and distribution of motion pictures for exhibition in appropriate media and the production and distribution of television film series; theater operations in Canada and France; real estate operations; also engaged in the publication of hard cover and paperback books, music publishing, distribution of educational films and manufacture and distribution of coin-operated amusement devices.

The Consumer and Agricultural Products Group is engaged in the manufacture and marketing of cigars and in the manufacture and distribution of a line of chocolates and candy. Also engaged in the production of raw sugar and some refined sugars, cane juice molasses, and furfural, and in other operations, in the Dominican Republic and Florida.

The Natural Resources Group consists of mining and milling operations, and the integrated production of portland and masonry cement; zinc ore and zinc concentrates; zinc oxide, metal, alloys, dust, mineral supplements; rolled zinc, fabricated zinc parts; sulfuric acid, cadmium and indium by-products; titanium dioxide; titanium tetrachloride; metallurgical coal.

The Paper and Building Products Group is engaged in the forest and paper products business and in the building materials business, including the manufacture and sale of pulp, a variety of papers, paperboard and paperboard products, packaging materials, towels and tissues, book matches and other miscellaneous products, and the mining, processing, manufacture and sale of rock, sand, gravel and transit-mixed concrete, the manufacture and distribution of forming equipment used by the construction industry for on-site placement of concrete, the distribution of concrete reinforcing materials and the manufacture and distribution of products used in concrete construction.

The Automotive Replacement Parts Group is engaged in the distribution of automotive replacement parts in the United States; the manufacture and sale of automotive batteries in Europe and the distribution of automotive replacement parts and other products in Western Europe, Puerto Rico, Mexico, and Venezuela; and the distribution of marine parts, electrical and industrial products and the manufacture and distribution of motorcycle parts and accessories in the United States.

The Financial Services Group is engaged in making direct installment loans, financing sales of consumer and industrial products, wholesale financing, industrial and commercial financing and underwriting insurance.

The Manufacturing Group is engaged in the manufacture of industrial piping components; automotive and appliance components; marine, military and commercial hardware; primary metals; production equipment; metalworking presses; air conditioning and refrigeration equipment and components; electronic connectors; cutting tools; electrical wire and cable; iron, steel, aluminum and brass castings; traffic and industrial control systems; special industrial trucks; coin-operated amusement games; research and development.

Subsidiaries & Other Companies:

- A.P.S. Inc. (82% owned)
    - American Parts System, Inc.
    - Auto Body Parts Corporation
    - Warehousing Service, Inc.
    - Daniel Doven, S.A.
    - Overseas, S.A.
    - Plavica
    - Hendrie & Bolthoff Company, Inc.
    - Uranio, S.p.A.
    - Venezuelan Supply Company
    - Newport Supply Company
    - Florida Cycle Supply Company
    - International Cycle Supply Company

- E.W. Bliss Company
- Brown Company (81% owned)
- Consolidated Cigar Corporation
- G + W Canada, Inc.
    - Gulf + Western (Canada) Limited
        - Famous Players Limited (51% owned)

- Gulf + Western Associates Inc.
    - Amfac, Inc.* (24% owned)
    - The Richards Group, Inc.* (49% owned)
    - Associates First Capital International B.V.
        - Gilwise Limited
            - Hawtin & Partners Ltd.*

- Gulf + Western International Holding Company
    - Gulf + Western Americas Corporation
        - International Raw Materials Limited
    - John M. Henderson & Co. (Holdings) Ltd.
    - Gulf + Western B.V.
        - Gulf + Western International N.V.

- Gulf + Western Manufacturing Company (Systems)
- Gulf + Western Realty Corp.
    - Gulf + Western Realty Enterprises Inc.
        - Madison Square Garden Corporation*

- Elco Corporation
- Commercial Discount Corporation
- Her Majesty Industries, Inc.
- Marquette Company
- Harrison Factors Corporation
- Kayser-Roth Corporation

- The New Jersey Zinc Company
- Paramount Pictures Corporation
    - Cinema International Corporation N.V.* (49% owned)
- The Schrafft Candy Company
- Sega Enterprises, Inc. (87% owned)
- Simon & Schuster, Inc.
- Universal American Corporation
- Associates First Capital Corporation*
- Quebec Iron and Titanium Corporation* (33% owned)
- Seeburg Industries, Inc.* (26% owned)

* Unconsolidated

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Fidelity Union Trust Company
765 Broad Street
Newark, New Jersey 07101

Montreal Trust Company
15 King Street West
Toronto, Ontario, Canada M5H 1B4

Stock Exchange(s): New York, Toronto, London, Basle, Geneva, Zurich

Ticker Symbol: GW

Number of Stores: (at fiscal year end)

	Stores	Leased Depts.
1979	23	123
1978	61	142
1977	26	272
1976	26	272
1975	36	272

Sales and Earnings

	Net Sales *	Net Income =
1979	$5,288,247,000	$227,438,000
1978	4,311,956,000	180,516,000
1977	3,647,517,000	150,327,000
1976	3,400,296,000	190,111,000
1975	2,645,621,000	134,120,000

	No. of Com. Shares †	Earn. per Share =†
1979	47,063,000	$4.62
1978	48,177,000	3.53
1977	48,215,000	2.90
1976	45,162,000	4.04
1975	41,330,000	3.12

* Reclassified to conform to 1978 presentation.
= Restated to reflect change in accounting method.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits and stock dividend.

Revenues by Line of Business
(000's)

	1979	1978
Leisure time	$ 967,000	$ 802,000
Consumer and agricultural products	457,000	440,000
Manufacturing	1,303,000	1,097,000
Apparel products	1,134,000	725,000
Automotive replacement parts	392,000	350,000
Paper & building products	573,000	492,000
Natural resources	470,000	414,000
Intersegment sales	(8,000)	(8,000)
	$ 5,288,000	$ 4,312,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.725		
1978	0.67		
1977	0.63		
1976	0.458	10%	5-for-4
1975	0.346		2-for-1

‡ Adjusted to reflect stock splits and stock dividend.

Common Stock Equity +

	Total Equity ≠	Equity Per Share ‡
1979	$1,354,120,000	$29.65
1978	1,221,315,000	24.70
1977	1,076,511,000	21.76

+ Reclassified to conform to 1978 presentation
≠ After allowing for preferred shares at a total liquidation value
‡ Adjusted to reflect stock splits and stock dividend

Income Account

Year ended July 31	1979	1978
Net sales	$5,288,247,000	$4,311,956,000
Other income	152,331,000	107,164,000
Total income	$5,440,578,000	$4,419,120,000
Cost of sales	3,993,525,000	3,284,771,000
Expenses	825,253,000	656,507,000
Depreciation & amortization	116,105,000	95,641,000
Other income	(7,464,000)	(26,749,000)
Minority interest	10,321,000	9,484,000
Interest expense	168,300,000	141,550,000
Income before taxes	$ 334,538,000	$ 257,916,000
Income taxes	107,100,000	77,400,000
Net Income	$ 227,438,000	$ 180,516,000

Assets

As of July 31	1979	1978
Cash	$ 116,792,000	$ 190,639,000
Marketable securities	130,792,000	91,090,000
Accts. receiv., net	795,876,000	630,184,000
*Inventories	1,124,063,000	896,526,000
Prepaid expenses	363,569,000	301,457,000
Current Assets	$2,531,092,000	$2,109,896,000
≠Fixed assets	1,584,222,000	1,439,389,000
Other assets	1,044,879,000	958,474,000
Total Assets	$5,160,193,000	$4,507,759,000

Liabilities

	1979	1978
Notes payable & long-term debt, curr	$ 318,088,000	$ 202,152,000
Accts. payable & accruals	929,058,000	775,794,000
Income taxes	55,533,000	33,261,000
Curr. Liabilities	$1,302,679,000	$1,011,207,000
Long-term debt	1,595,030,000	1,425,710,000
Conv. subord. debt	277,892,000	280,495,000
Minority interest	221,528,000	186,697,000
Deferred liabilities	261,706,000	229,344,000
+ Preferred stock	7,574,000	7,717,000
+ + $5.75 Non-conv. stock	31,886,000	33,276,000
+ + + Common stock	44,599,000	48,106,000
Add. paid-in capital	353,401,000	377,356,000
Retained earnings	1,065,971,000	912,373,000
Net realizable loss	(2,073,000)	(4,522,000)
Total Liabilities & Shareholders' Equity	$5,160,193,000	$4,507,759,000

* At lower of cost (FIFO) or average or net realizable value
≠ Less accumulated depreciation and depletion
+ $2.50 par value, cumulative convertible
+ + $100 stated value
+ + + $1 par value

Statistical Summary

	1979	1978
% Income bef. Taxes to Sales	6.33	5.98
% Net Income to Sales	4.30	4.19
% Net Income to Equity	15.15	13.14
Working Capital	$1,228,413,000	$1,098,689,000
Current Ratio	1.94	2.09
Shareholders' Equity	$1,501,358,000	$1,374,306,000

Hannaford Bros. Co.

54 Hannaford Street
Rumery Park
South Portland, Maine 04106
(207) 767-2111

Mailing address:

P.O. Box 1000
Portland, Maine 04104

Officers: Charles F. Phillips, chairman of the board; James L. Moody, Jr., president & chief executive officer; Roger W. Hoyt, sr. v.p.-retail operations; Everett F. Johnson, v.p.-governmental relations & administrative services; Donald J. Young, sr. v.p.-marketing; Hugh G. Farrington, v.p.-merchandising; William E. Wood, v.p.-Wellby Drug Services; Virgil E. Beane, v.p.-warehousing & transportation; Norman E. Brackett, v.p.-management services; Roger E. Murray, v.p.-personnel; John J. Russell, sr. v.p. & treasurer; Robert B. Williamson, Jr., clerk.

Directors: John F. Grant, William D. Ireland, Jr., James L. Moody, Jr., George F. Peabody, Charles F. Phillips, Florence C. Petrlik, John J. Russell, Walter J. Salmon, Edward J. Schnuck, William A. Schroeder, Duane Peters, Donald J. Young.

Business Activities: Engaged in the wholesale and retail food business. Controls 53 supermarkets on the "equity partnership" concept, whereby Hannaford assumes a controlling interest in supermarkets it has helped to develop, with the operator holding the minority interest. Also operates 20 wholly-owned supermarkets and 22 Wellby Super Drug Stores. The Company's area of operation includes Maine, Vermont and New Hampshire.

Subsidiaries:

The Sampson Supermarkets, Inc. (95% owned)
  Food Town, Inc. (100% owned)
Cottle's Shop 'n Save, Inc. (80% owned)
  Cottle's Augusta Shop 'n Save, Inc. (90% owned)
Shop-Rite Supermarkets, Inc. (51% owned)
Shop & Save Co., Inc. (100% owned)
Analytical Services, Inc. (100% owned)
Wellby Super Drug Stores, Inc. (100% owned)
McLeans, Inc. (95% owned)
Jaymac, Inc. (95% owned)
South Paris Shop N'Save, Inc. (51% owned)
Hampden Food Stores (51% owned)
Martin's Food of South Burlington, Inc. (100% owned)
Guy's Super Markets, Inc. (51% owned)
Progressive Distributors, Inc. (51% owned)
Hanbro, Inc. (96.7% owned)
Hannaford Properties, Inc. (100% owned)
M-B Han Co. (100% owned)
M- Red Co. (100% owned)
M-B1978, Inc. (100% owned)
Shop 'n Save Realty, Inc. (100% owned)
Hannaford Trucking Company (100% owned)

Transfer Agent(s):

State Street Bank & Trust Company
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: HRD

Number of Stores:* (at fiscal year end)

1979	109	1976	112
1978	107	1975	80
1977	113		

* Including "partnership" and wholly-owned stores.

Sales and Earnings

	Net Sales (000's)	Net Income ≠ (000's)
1979	$ 423,544	$ 2,952
1978	377,529	3,610
1977	344,648	3,095
1976	303,446	2,871
1975	275,130	2,158

	No. of Com. Shares ‡	Earn. per Share ‡≠
1979	1,294,079	$2.27
1978	1,273,225	2.82
1977	1,261,501	2.44
1976	1,137,875	2.51
1975	1,026,075	2.09

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.
≠ Including extraordinary gains of $49,000 ($0.04 per share) in 1978, $371,000 ($0.29 per share) in 1977, $147,000 ($0.13 per share) in 197[illegible] [illegible]0,709 ($0.08 per share) in 1975 and extraordinary loss [illegible] $321,000 ($0.25 per share) in 1979.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1979	$0.86	—	—
1978	0.80	—	—
1977	0.72	—	—
1976	0.60		4-for-3
1975	0.45		—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 25,101,000	$19.40
1978	23,275,000 +	18.28
1977	20,371,000 +	16.15

+ After allowing for preferred stock at par value.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$423,544,000	$377,529,346
Cost of sales	335,703,000	300,646,663
Expenses	77,318,000	66,153,429
Interest expense	3,800,000	2,706,817
Income before taxes	$ 6,723,000	$ 8,022,437
Income taxes	2,610,000	3,671,763
Minority interest	840,000	790,377
Net Income	$ 3,272,000	$ 3,560,297
Extraord. gain (loss)	(321,000)	49,600
Net Income & Extraord. items	$ 2,952,000	$ 3,609,897

* Included in Costs and Expenses. Depreciation and Amortization: $4,824,000 in 1979 and $4,212,744 in 1978.

Assets

As of	12/29/79	12/30/78
Cash & cash equiv.	$ 10,506,000	$ 8,416,505
Notes & accts. receiv.	3,497,000	1,720,965
Investment in leases, curr.	154,000	174,331
Inc. tax ref.		30,207
*Inventories	23,323,000	21,023,468
Prepaid expenses	1,153,000	841,133
Current Assets	$ 38,633,000	$ 32,206,609
≠Fixed assets	35,104,000	28,620,288
Oblig. under cap. leases	20,343,000	17,822,143
Other assets	4,537,000	4,282,743
Total Assets	$ 98,617,000	$ 82,931,783

Liabilities

	12/29/79	12/30/78
Long-term debt, curr.	$ 2,059,000	$ 2,293,135
Accts. payable	14,698,000	9,807,767
Accruals	5,267,000	3,843,382
Income taxes	84,000	1,126,986
Oblig. under cap. lease, curr.	1,037,000	932,907

Hannaford Bros. Co.

Curr. Liabilities	$ 23,145,000	$ 18,143,183
Long-term debt	20,188,000	14,236,825
Oblig. under cap. lease	25,146,000	22,547,650
Deferred credit	487,000	626,582
Minority interest	4,550,000	3,887,429
+ Preferred stock		215,050
+ + Common stock	971,000	970,560
Add. paid-in capital	4,581,000	4,581,236
Retained earnings	19,549,000	17,723,268
Total Liabilities & Shareholders' Equity	$ 98,617,000	$ 82,931,783

* At lower of cost (FIFO) or market, groceries at cost (LIFO).
≠ Less accumulated depreciation.
+ $10 par value; series A, 7% voting
+ + $0.75 par value

Statistical Summary

%Income bef. Taxes to Sales	1.59	2.12
%Net Income to Sales	0.77	0.94
%Net Income to Equity	13.04	15.16
Sales to Inventories	18.16	17.96
Working Capital	$ 15,488,000	$ 14,063,426
Current Ratio	1.67	1.78
Shareholders' Equity	$ 25,101,000	$ 23,490,000

Hart Schaffner & Marx

36 South Franklin Street
Chicago, Illinois 60606
(312) 372-6300

Officers: John D. Gray, chairman; Jerome S. Gore, president & chief exec. officer; Richard P. Hamilton, John R. Meinert, exec. v.p.'s; Charles L. Stewart, Jr., v.p., secretary & general counsel; Raymond L. Valentine, Jr., Ralph Kaufmann, Edward R. Weed, William J. McNally, Jr., vice presidents; Mark J. Lies, v.p. & treasurer; Jerome Dorf, v.p. & controller; Andrew A. Zahr, asst. controller; Kay C. Nalbach, asst. secretary; Harrison Hanson, director-computer systems.

Directors: John D. Gray, Jerome S. Gore, John R. Meinert, Arthur Gunzberg, Burton B. Ruby, Lee S. Bickmore, Charles L. Brown, James F. Chambers, Jr., Paul A. Conley, Elmer Schlesinger, A. Robert Abboud, James E. Devitt, Richard P. Hamilton, Donald P. Jacobs.

Business Activities: Hart Schaffner & Marx Clothes, the largest manufacturing division, produces Hart Schaffner & Marx clothing, Jack Nicklaus suits, sports coats and slacks by Hart Schaffner & Marx and the Christian Dior collection tailored by Hart Schaffner & Marx. It markets tailored clothing under the brand names Society Brand Ltd., Graham & Gunn, Ltd. and Sterling & Hunt. This division also markets a medium-price line of clothing. Austin Reed of Regent Street, Fashionaire, major supplier of career apparel for airlines, automobile rental agencies, banks, hotels and other service-oriented companies and Thorngate Uniforms, Inc., marketing military academy, school, and airline uniforms, are also part of this division.

Hickey-Freeman Co., Inc. is the manufacturer of Hickey-Freeman, Walter-Morton suits and Chester Barrie sport coats, slacks, outercoats and formal wear. M. Wile manufactures suits and sport coats under various labels and produces Johnny Carson brand clothing as well as the Rue Royale line of suits and sport coats by Nino Cerruti.

Jaymar-Ruby manufactures men's slacks, sportcoats and coordinated sportswear, under the Jaymar trademark; also manufactures and markets Sansabelt slacks and Cesareni sportswear. Other Jaymar-Ruby specialties are Cary Middlecoff coordinates and the Nino Cerruti sportswear collection. In addition to raincoats and all-weather coats, the Gleneagles division manufactures an extensive line of casual outerwear under the Gleneagles and Great Western labels and markets rainwear, outerwear and sportswear under the labels of Christian Dior, Jack Nicklaus and Nino Cerruti.

Operates retail stores selling men's and women's clothing throughout the United States and Mexico. Each retail subsidiary operates its stores under its own name.

Divisions & Subsidiaries:

Manufacturing Group

Hart Schaffner & Marx Clothes
36 South Franklin Street
Chicago, Illinois 60606
Plants located: Chicago (3) and Rock Island (2), Illinois; Rochester, Indiana; Cape Giradeau & Chaffee, Missouri.

Hickey-Freeman Co., Inc.
1155 Clinton Avenue, North
Rochester, New York 14621
Plants located: Rochester (2) and Buffalo, New York

M. Wile & Company, Inc.
2020 Elmwood Avenue
Buffalo, New York 14207
Plants located: Buffalo (2) and Dunkirk, New York

Johnny Carson Apparel, Inc.
2020 Elmwood Avenue
Buffalo, New York 14207

Jaymar-Ruby, Inc.
5000 South Ohio Street
Michigan City, Indiana 46360
Plants located: Michigan City (4) and East Chicago, Indiana; Anniston and Russellville, Alabama; Elizabethtown, Kentucky; Rector, Arkansas.

Intercontinental Apparel, Inc.
888 7th Avenue
New York, New York 10019

Gleneagles, Inc.
808 Gleneagles Court
Baltimore, Maryland 21204
Plants located: Baltimore (3), Maryland

Whiteville Apparel Corporation
1 Wilmington Road
Whiteville, North Carolina 28472

Society Brand, Ltd.
Thorngate Uniforms, Inc.
Graham & Gunn, Ltd.
Fashionaire
2 De Kalb Street
Norristown, Pennsylvania 19401

Austin Reed of Regent Street
36 South Franklin Street
Chicago, Illinois 60606

Retail Stores Group

Baskin (24)
Chicago, Rockford, Champaign-Urbana, Illinois, Madison, Wisconsin, Fort Wayne, Indiana

Ray Beers (2)
Topeka, Kansas

Blackburn's (2)
Amarillo, Texas

Capper & Capper, Ltd. (5)
Chicago, Illinois
Detroit, Michigan

Fannin's (2)
Montgomery, Alabama

Field Bros. (5)
New York, New York

Arthur Frank (3)
Salt Lake City, Utah

Frank Bros. (4)
San Antonio, Texas

Hanny's (8)
Phoenix, Arizona

Hastings (14)
San Francisco, Sacramento, Oakland, San Jose & Monterey, California

Jack Henry (4)
Kansas City, Missouri

Heyward-Mahon (2)
Greenville, South Carolina

J.O. Jones (3)
Charlotte & Raleigh, North Carolina

Kleinhans (5)
Buffalo, New York

Klopfenstein's (8)
Seattle & Tacoma, Washington
Anchorage, Alaska

Kucharo's (2)
Des Moines, Iowa

Lang-Vicary (3)
Akron and Canton, Ohio

Leopold Price & Rolle (10)
Houston, Texas

Morris Levy's (2)
Savannah, Georgia

Levy/Wolf (5)
Jacksonville, Florida

Liemandt's (6)
Minneapolis St. Paul, Minnesota

Littler (1)
Seattle, Washington

The Man Store (2)
Asheville, North Carolina

Merritt Schaefer & Brown (2)
Austin, Texas

Porter's-Stevens (5)
New Orleans, Louisiana

Root's (4)
Summit and Red Bank, New Jersey

Rosenblatt's (4)
Portland and Eugene, Oregon

Shulman's (4)
Norfolk & Hampton, Virginia

Silverwoods (19)
Los Angeles, Santa Barbara, Palm Springs & Anaheim, California
Las Vegas, Nevada

Stevens (3)
Jackson, Mississippi

F. R. Tripler & Co. (1)
New York, New York

Walkers (8)
Columbus & Dayton, Ohio

Wallachs (27)
New York, Connecticut, Massachusetts, New Jersey, Rhode Island & New Hampshire

Wallachs-Dick Richmond (5)
Miami, Fort Lauderdale & Pompano Beach, Florida

Wicks & Greenman (1)
Utica, New York

Jas. K. Wilson (11)
Dallas and Ft. Worth, Texas

Wolf Bros. (7)
Tampa, St. Petersburg, Ft. Myers & Bradenton, Florida

Wolff's (5)
St. Louis, Missouri

Zachry (9)
Atlanta, Georgia

J. P. Allen (6)
Atlanta, Georgia

R.J. Boggs, Ltd. (9)
New Jersey, Pennsylvania, Illinois

deJong's (3)
Evansville, Indiana

Chas. A. Stevens (20)
Chicago & Rockford, Illinois

Robert's (14)
Mexico City, Mexico

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: HSM

Number of Stores: (at fiscal year-end)

1979	274	1976	261
1978	274	1975	249
1977	276		

Sales and Earnings

	Net Sales	Net Income
1979	$630,751,000	$ 21,015,000
1978	606,610,000	18,005,000
1977	567,986,000	15,505,000
1976	534,609,000	13,850,000
1975	486,833,000	8,310,000

	No. of Com. Shares	Earn. per Share‡
1979	8,401,456	$2.45
1978	8,417,417	2.09
1977	8,412,476	1.80
1976	8,409,106	1.61
1975	8,407,237	0.97

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979	1978	1977	1976
Retail stores division	62%	62%	61%	63%
Manufacturing division	38%	38	39	37
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.88	—	—
1978	0.80	—	—
1977	0.72	—	—
1976	0.63	—	—
1975	0.60	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$207,489,000	$24.92
1978	194,415,000	23.35
1977	183,253,000	22.05
1976	173,922,475	20.97
1975	165,511,475	19.69

‡ After allowing for preferred stock at liquidation value of $67.50 per share.

Income Account*
(000's)

Year end Nov. 30	1979	1978
Net sales	$ 630,751	$ 606,610
Other income	12,086	8,296
Total income	$ 642,837	$ 614,906
Cost of sales	388,439	375,693
Expenses	209,048	197,493
Interest expense	5,110	5,765
Income before taxes	$ 40,240	$ 35,955
Income taxes	19,225	17,950
Net Income	$ 21,015	$ 18,005

* Included in Costs and Expenses. Depreciation and Amortization: $9,129,000 in 1979 and $8,792,000 in 1978.

Assets
(000's)

As of Nov. 30	1979	1978
Cash	$ 5,607	$ 7,846
Accts. receiv., net	109,084	105,400
*Inventories	164,445	164,356
Prepaid expenses	1,719	1,778
Current Assets	$ 280,855	$ 279,380
≠Fixed assets	58,473	55,165
Other assets	11,209	4,075
Total Assets	$ 350,537	$ 338,620

Liabilities
(000's)

	1979	1978
Notes payable	$ 1,990	$ 2,000
Long-term debt, curr	881	4,831
Accts. payable & accruals	69,905	68,849
Income taxes	4,041	3,806
Deferred taxes	6,475	5,460
Curr. Liabilties	$ 83,292	$ 84,946
Long-term debt	54,221	53,723
+Preferred stock	82	82
++Common stock	21,882	21,705
Add. paid-in capital	24,085	23,578
Retained earnings	171,549	158,096
Treasury stock	(4,574)	(3,510)
Total Liabilities & Shareholders' Equity	$ 350,537	$ 338,620

* At lower of cost (principally LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value, Series A.
++ $2.50 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	6.38	5.93
%Net Income to Sales	3.33	2.97
%Net Income to Equity	9.87	9.00
Sales to Inventories	3.84	3.69
Working Capital	$197,563,000	$194,434,000
Current Ratio	3.37	3.29
Shareholders' Equity	$213,024,000	$199,951,000

Hartfield-Zodys, Inc.

2525 Military Avenue
Los Angeles, California 90064
(213) 477-0516

441 Ninth Avenue
New York, New York 10001
(212) 564-5360

Officers: Edward D. Solomon, chairman of the board, president & chief exec. officer; Lee Freedman, executive vice president; Eliot I. Green, sr. v.p.-finance & chief financial officer; Arnold Suval, sr. v.p. & pres.-Zodys Div.; Elliot B. Lubin, sr. v.p. & pres.-Hartfield & Shoe Stop/Karl's; William F. White, Jr., sr. vice president & secretary; Harold Weiner, v.p.-adm.; Michael A. Leinwand, treasurer.

Directors: Abe L. Marks, Lee Freedman, Preston J. Kline, William F. White, Jr., Eliot I. Green, Edward D. Solomon, Heywood Shelley, Bram Goldsmith, Sigmund Wahrsager.

Business Activities: Operates 37 Zodys discount department stores in Southern California, Arizona, New Mexico and Nevada, and licesed apparel departments in three stores in Hawaii; 64 Hartfields junior apparel shops located in California, Arizona, Colorado, Hawaii, Michigan, Texas, Nevada, New Mexico and New York, 96 Shoe Stop/Karls Shoe Stores and 15 licensed shoe departments in three discount stores owned by others. Junior dress and sportswear manufacturing activities are carried out by the Jody-Tootique subsidiary.

Subsidiaries:

Karl's Shoe Stores, Ltd.
2525 Military Avenue
Los Angeles, California 90064

Jody-Tootique
1380 W. Washington Boulevard
Los Angeles, California 90007

Transfer Agent(s):

United California Bank
Los Angeles, California

Stock Exchange(s): New York, Pacific

Number of Stores:* (at fiscal year end)

1980	212	1977	229
1979	239	1976	237
1978	241		

* Including leased departments.

Sales and Earnings

	Net Sales	Net Income ‡
1980	$339,021,000	$ 11,581,000
1979	315,726,000	15,137,000
1978	244,952,000	7,213,000
1977	194,569,000	5,713,000
1976	179,252,000	37,038,000

	No. of Com. Shares ≠	Earn. per Share ≠ ‡
1980	3,746,000	$3.09
1979	3,736,000	4.05
1978	3,660,000	1.97
1977	3,562,000	1.60
1976	3,573,000	10.36

‡ Including extraordinary credits of $4,326,000 ($1.15 per share) in 1980, $7,956,000 ($2.13 per share) in 1979, $3,742,000 ($1.02 per share) in 1978, $4,652,000 ($1.30 per share) in 1977 and $34,764,000 ($9.72 per share) in 1976.
≠ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ≠
1980	$ 53,609,000	$14.31
1979	43,409,000	11.62
1978	29,356,000	8.02
1977	26,200,000	7.36

≠ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account
(000's)

Year ended	2/1/80	2/2/79
Net sales	$ 339,021	$ 315,726
Other income	7,638	6,536
Total income	$ 346,659	$ 322,262
Cost of sales	231,563	213,403
Expenses	88,265	81,042

Depreciation & amortization	5,772	5,366
Imputed interest	6,146	6,173
Income before taxes	$ 14,913	$ 16,278
Income taxes	7,658	9,097
Net Income	$ 7,255	$ 7,181
Extraord. credit	4,326	7,956
Net Income & extraord. credit	$ 11,581	$ 15,137

Assets
(000's)

As of	2/1/80	2/2/79
Cash	$ 4,037	$ 3,193
Cert. of deposit	9,000	11,906
Due from factor	9,191	10,035
Layaways, notes & other receiv	3,130	2,461
*Inventories	49,793	42,984
Prepaid expenses	3,472	3,482
Current Assets	$ 78,623	$ 74,061
≠Fixed assets	71,456	67,317
Defer. income taxes	3,730	3,798
Defer. charges & other assets	9,877	6,760
Total Assets	$ 163,686	$ 151,936

Liabilities
(000's)

Long-term debt, curr	$ 4,381	$ 3,512
Current matur. of cap. lease oblig	1,563	1,993
Accts. payable	22,261	15,262
Accruals & other liabilities	10,048	12,824
Curr. Liabilities	$ 38,253	$ 35,591
Long-term debt	22,307	23,838
Cap. lease oblig	49,517	49,098
+Common stock	3,681	3,328
Add. paid-in capital	19,680	16,796
Retained earnings	30,248	23,285
Total Liabilities & Shareholders' Equity	$ 163,686	$ 151,936

* At lower of cost or market, by retail method.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.40	5.16
%Net Income to Sales	2.14	2.27
%Net Income to Equity	13.53	16.54
Sales to Inventories	6.81	7.35
Working Capital	$ 40,370,000	$ 38,470,000
Current Ratio	2.06	2.08
Shareholders' Equity	$ 53,609,000	$ 43,409,000

The Harvey Group Inc.

60 Crossways Park West
Woodbury, New York 11797
(516) 921-8700

Officers: Harvey E. Sampson, chairman of the board & president; Edward J. Maher, vice chairman; Alfred Stoddart, exec. v.p.; E.M. Hedrick, sr. vice president; James P. Callaghan, Morton Denson, John Hamber, John W. Taylor, v.p.'s; Michael W. Katz, v.p. & treasurer; Dennis R. Wilson, secretary.

Directors: Michael E. Gellert, Harvey E. Sampson, C. Virgil Martin, Richard M. Ramin, Edward J. Maher, William F. Kenny III, Alfred Stoddart, John M. Fox, Samuel N. Irwin.

Business Activities: Engaged in the retail sale of audio and high-fidelity equipment, home entertainment systems, video electronic equipment, television sets, professional and home recording equipment, phonograph records, tapes, and similar products; operates stores in New York City, Westchester and Long Island, New York; distributes industrial electronic components. Manufactures and assembles electronic and electromechanical systems such as test equipment, recording consoles, instrument panels and electrical and electronic control equipment to specifications provided by its customers. Also engaged in the fabrication of precision metal parts by photo etching techniques and food brokerage activities.

Retail Division:

Harvey Sound, Inc.
New York, New York

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: HRA

Number of Stores: (at fiscal year end)

1980	3	1977	5
1979	3	1976	5
1978	3		

Sales and Earnings

	Revenues +	Net Income †
1980	$ 66,216,744	$ 1,877,551
1979*	49,570,540	1,359,503
1978	39,982,123	845,505
1977	31,407,625	211,406
1976	30,311,123	111,622

	No. of Com Shares	Earn. per Share ≠†
1980	2,122,512	$0.85
1979	2,066,762	0.62
1978	2,041,012	0.41
1977	2,051,137	0.08
1976	2,051,137	0.03

* 53 weeks.
† Including extraordinary gains of $544,082 ($0.25 per share) in 1979, $398,850 ($0.20 per share) in 1978, $88,000 ($0.04 per share) in 1977, and $41,600 ($0.02 per share) in 1976.
≠ Based on weighted average number of common shares and common share equivalents outstanding.
+ Of continuing operations only.

Revenues by Line of Business

	1980	1979
Electronics distribution	$ 50,198,355	$ 35,727,321
Food brokerage	8,076,600	7,247,010
Retail	7,941,789	6,596,209
Total	$ 66,216,744	$ 49,570,540

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 11,659,169	$5.49
1979	9,725,868	4.71
1978	8,342,083	4.09
1977	7,511,920	3.66

Income Account *

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 58,140,144	$ 42,323,530
Other income	8,076,600	7,247,010
Total income	$ 66,216,744	$ 49,570,540
Cost of sales	43,681,871	32,118,077
Expenses	18,143,354	14,545,764
Interest expense	1,475,968	916,200
Loss of closing or disposition	—	685,032
Income before taxes	$ 2,915,551	$ 1,305,467
Income taxes	1,223,000	653,900
Income from cont. oper	$ 1,692,551	$ 651,567
Income from discont operations	185,000	163,854
Net Income	$ 1,877,551	$ 815,421
Extraordinary gain	—	544,082
Net Income & extraord. gain	$ 1,877,551	$ 1,359,503

* Included in Costs and Expenses, Depreciation and Amortization: $165,689 in 1980 and $155,202 in 1979.

Assets

As of	2/2/80	2/3/79
Cash	$ 248,216	$ 989,140
Receiv., net	11,065,808	7,136,007
* Inventories	14,661,688	8,915,511
Prepaid expenses & other assets	251,269	142,096
Current Assets	$ 26,226,981	$ 17,182,754
≠ Fixed assets	1,599,365	1,499,896
Other assets	5,548,734	5,462,990
Total Assets	$ 33,375,080	$ 24,145,640

Liabilities

Long-term debt, curr	$ 100,000	$ 102,775
Accts. payable	4,557,861	3,126,908
Accruals	2,579,293	2,254,692
Income taxes	1,159,817	404,918
Curr. Liabilities	$ 8,396,971	$ 5,889,293
Long-term debt	12,003,081	7,204,050
Cap. lease oblig	1,121,881	1,126,363
Def. income	90,978	97,066
Def. income taxes	103,000	103,000
+ Common stock	2,122,512	2,066,762
Add. paid-in capital	4,414,849	4,414,849
Retained earnings	5,121,808	3,244,257
Total Liabilities & Shareholders' Equity	$ 33,375,080	$ 24,145,640

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

%Income before Taxes to Total Income	4.40	2.63
%Net Income to Total Income	2.84	1.64
%Net Income to Equity	16.10	8.38
Sales to Inventories	3.97	4.75
Working Capital	$ 17,830,010	$ 11,293,461
Current Ratio	3.13	2.92
Shareholders' Equity	$ 11,659,169	$ 9,725,868

Haverty Furniture Companies, Inc.

866 West Peachtree Street, N.W.
Atlanta, Georgia 30308
(404) 881-1911

Mailing Address:

P.O. Box 54678
Civic Center Station
Atlanta, Georgia 30308

Officers: Rawson Haverty, president; Frank S. McGaughey, Jr., sr. vice president; Leonard O. Gay, sr. vice president & treasurer; Vernon B. White, John E. Slater, Jr., vice presidents; Charles C. Taylor, v.p.-accounting; Henry T. Dickie, vice president-real estate & asst. secretary; James E. Smith, v.p.-store planning; Hugh G. Wells, Jr., comptroller; Christine M. Jones, secretary; Daniel E. Walters, asst. v.p.-credit & collections.

Directors: Rawson Haverty, Mrs. Clarence Haverty, Frank S. McGaughey, Jr., Leonard O. Gay, Vernon B. White, F. M. Jones, Jr., Alexander W. Smith, Gordon Jones, E. E. Riley, Harold Wolff, John Rhodes Haverty, Clarence H. Ridley, Kenneth Black, Jr., John C. Wilson, James R. Jones.

Business Activities: Operates a chain of retail furniture showrooms in 10 Southern states.

Transfer Agent(s):

The First National Bank of Atlanta
P.O. Box 3260
Atlanta, Georgia 30302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HAVT (NASDAQ)

Number of Stores: (at fiscal year end)

1979	68	1976	64
1978	68	1975	61
1977	67		

Sales and Earnings

	Net Sales*	Net Income +
1979	$105,967,722	$ 2,109,356
1978	96,982,652	3,420,761
1977	84,761,695	2,938,652
1976	72,746,853	2,240,794
1975	59,708,150	1,535,151

	No. of Com. Shares‡	Earn. per Share #
1979	1,038,608	$2.04
1978	1,039,450	3.29
1977	1,036,863	2.83
1976	1,037,863	2.16
1975	1,048,779	1.48

* Includes service charges and credit life insurance revenues.
# Based on average number of shares outstanding adjusted to reflect stock dividend.
‡ Adjusted to reflect stock dividend.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.74	—	—
1978	0.72	—	—
1977	0.63	—	—
1976	0.57	—	—
1975	0.54	1%	—

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 30,640,695	$29.50
1978	29,464,669	28.35
1977	26,802,370	25.85
1976	24,529,823	23.63
1975	22,890,549	22.04

Income Account

Year ended Dec. 31	1979	1978
Net sales	$105,967,722	$ 96,982,652
Cost of sales	60,578,866	53,526,738
Expenses	36,447,015	32,552,968
Depreciation & amortization	1,501,035	1,234,277
Interest expense	3,557,186	2,671,972
Losses on accounts	1,346,393	1,544,085
Other income	(1,309,329)	(994,549)
Income before taxes	$ 3,846,556	$ 6,447,161
Income taxes	1,737,200	3,026,400
Net Income	$ 2,109,356	$ 3,420,761

Assets

As of Dec. 31	1979	1978
Cash	$ 2,568,082	$ 3,140,968
Accts. receiv., net	34,358,464	33,254,995
*Inventories	21,722,594	22,052,550
Prepaid expenses	625,425	417,305
Refundable inc. taxes	643,725	—
Current Assets	$ 59,968,290	$ 58,865,818
#Fixed assets	15,124,050	12,312,352
Leased under cap. leases	7,836,034	7,406,435
Other assets	518,589	1,347,822
Total Assets	$ 83,446,963	$ 79,932,427

Liabilities

Notes payable	$ 8,924,000	$ 6,051,098
Long-term debt, curr.	2,476,639	1,445,321
Cap. lease oblig., curr.	217,125	182,388
Accts. payable & accruals	7,134,110	6,650,328
Income taxes	5,838,983	6,414,852
Curr. Liabilities	$ 24,590,857	$ 20,743,987
Long-term debt	19,408,486	21,509,661
Cap. lease oblig.	8,465,525	7,882,110
Deferred inc. taxes	341,400	332,000
+Common stock	1,043,969	1,043,969
Add. paid-in capital	2,577,583	2,577,583
Retained earnings	27,097,927	25,896,935
Treasury stock	(78,784)	(53,818)
Total Liabilities & Shareholders' Equity	$ 83,446,963	$ 79,932,427

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.63	6.65
%Net Income to Sales	1.99	3.53
%Net Income to Equity	6.88	11.61
Sales to Inventories	4.88	4.40
Working Capital	$ 35,377,433	$ 38,121,831
Current Ratio	2.44	2.84
Shareholders' Equity	$ 30,640,695	$ 29,464,669

Hechinger Company

3500 Pennsy Drive
Landover, Maryland 20785
(301) 341-1000

Officers: John W. Hechinger, president; Richard England, chairman of the board; Stephen E. Bachand, sr. v.p.-finance & administration; Frank Wolfsheimer, sr. v.p.; Philip J. Mansfield, exec. v.p.; Richard L. Ponton, v.p.-store supervision; Eloise K. Head, secretary; W. Clark McClelland, treasurer & controller.

Directors: Richard England, chairman; John W. Hechinger, Frank Wolfsheimer, Philip J. Mansfield, Stephen E. Bachand, Eloise K. Head, W. Clark McClelland.

Business Activities: Operates home-center stores in Washington, D.C., Maryland and Virginia.

Transfer Agent(s):

American Security Bank, N.A.
P.O. Box 1744
Washington, D.C. 20013

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HECK (NASDAQ)

Number of Stores: (at fiscal year end)

1979	26	1976	17
1978	23	1975	16
1977	19		

Sales and Earnings

	Net Sales	Net Income
1980	$146,826,368	$ 5,476,133
1979*	111,191,886	3,449,269
1978	92,604,057	2,336,991
1977	80,443,179	1,904,315
1976	69,163,776	1,578,255

	No. of Com. Shares	Earn. per Share +
1980	3,339,335	$1.60
1979	2,762,074	1.02
1978	2,652,500	0.69
1977	2,652,000	0.57
1976	2,650,000	0.48

* 53 weeks.
+ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.12	20%	—
1979	0.09	4%	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 27,488,014	$8.23
1979	21,889,721	7.93
1978	18,455,745	6.96

Income Account

Year ended	2/2/80	2/3/79
Net sales	$146,826,368	$111,191,886
Other income	648,463	179,206
Total income	$147,474,831	$111,371,092
Cost of sales	98,879,540	74,157,753
Expenses	33,811,741	27,375,446
Prof. sh. plan	2,066,507	1,695,327
Interest expense	2,175,910	1,833,297
Income before taxes	$ 10,541,133	$ 6,309,269
Income taxes	5,065,000	2,860,000
Net Income	$ 5,476,133	$ 3,449,269

Assets

As of	2/2/80	2/3/79
Cash	$ 2,590,554	$ 1,313,207
Marketable securities	2,000,934	1,000,000
Accts. receiv., net	11,865,325	9,424,309
*Inventories	24,853,293	20,104,557
Prepaid expenses	830,492	665,987
Cost recov. under oper. losses	903,736	1,518,956
Current Assets	$ 43,044,334	$ 34,027,016
#Fixed assets	25,538,576	24,714,333
Total Assets	$ 68,582,910	$ 58,741,349

Liabilities

Note payable	$ —	$ 2,000,000
Cap. lease oblig., curr.	178,000	162,000
Accts. payable	9,494,484	6,676,225
Accruals	5,282,837	4,228,260
Accrued payroll	3,004,600	2,125,687
Income taxes	3,765,660	2,151,033
Curr. Liabilities	$ 21,725,581	$ 17,343,205
Cap. lease oblig.	19,201,000	19,379,000
Deferred inc. taxes	168,315	129,423
+Common stock	333,933	276,207
Add. paid-in capital	15,190,298	7,560,904
Retained earnings	11,963,783	14,052,610

Total Liabilities & Shareholders' Equity	$ 68,582,910	$ 58,741,3?9

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.18	5.67
%Net Income to Sales	3.73	3.10
%Net Income to Equity	19.92	15.76
Sales to Inventories	5.91	5.53
Working Capital	$ 21,318,753	$ 16,683,811
Current Ratio	1.98	1.96
Shareholders' Equity	$ 27,488,014	$ 21,889,721

Heck's, Inc.

1012 Kanawha Boulevard East
Charleston, West Virginia 25301
(304) 344-3581

Officers: Fred Haddad, chairman of the board; Ray O. Darnall, president; Lewis D. Soulsby, Jr., v.p.-advertising; James V. Doss, v.p.-operations; Ross A. Raymond, Richard L. Murad, v.p.'s-real estate; H. G. Shaffer, Jr., secretary; James B. Lawrence, treasurer; Robert A. Petryszak, comptroller; Ann Chrisman Rodak, asst. secretary & counsel.

Directors: Fred Haddad, chairman; Ray O. Darnall, Nathan Haddad, H. G. Shaffer, Jr., Charles B. Gates, Jr., Russell S. Wehrle, James C. Wheat, Jr., Walter B. Dial, Jr.

Business Activities: Operates principally in three industries: Discount department and shoe stores-operates 75 discount department stores in a nine state contiguous marketing area engaged in the retail sale of goods, wares and merchandise, principally clothing, home furnishings, hardware, auto accessories, housewares, toys, and sporting goods and 154 discount shoe stores in eleven states in the eastern part of the U.S. engaged in the retail sale of shoes and accessories. Wholesale distribution-operates four wholesale distributors engaged in the distribution of automotive accessories and supplies, housewares, small appliances, hardware, sporting goods, and shoes. Heavy equipment sales and service-sells new and used heavy equipment and machinery and operates four parts and service outlets in West Virginia, serving primarily the coal mining and road building industries.

Subsidiaries:

Woodrum Home Outfitting Co.
Charleston, West Virginia
Furniture and home furnishings department store; pianos and organs.

Village Stores of Ohio, Inc.
Canton, Ohio
Operates women's specialty clothing shops and a men's store in Ohio.

Harris & Frank, Inc.
Pittsburgh, Pennsylvania
Wholesale distributor of auto supplies and accessories.

B. Goodman Fashions, Inc.
Columbus, Ohio
A woman's apparel retailer.

Lory's Fashion Shops, Inc.
Miami, Florida
Women's apparel retailer.

M & W Distributors, Inc.
Nitro, West Virginia
Wholesale distributing company of sporting goods, toys and hardware.

Federal Wholesale Co.
Hubbard, Ohio
Wholesale distributing company of housewares, paper products and hardware.

West Virginia Acceptance Co.
Charleston, West Virginia
A finance company which owns 80% of privately owned Mountaineer Euclid, Inc. Mountaineer, with three major sales and service centers in West Virginia, is a heavy equipment dealer.

The Felsway Corporation
Totowa, New Jersey
Retail shoe chain and wholesale supplier of famous brand and private label footwear.

Footwear Unlimited, Inc.
St. Louis, Missouri
A Felsway wholesale unit that distributes shoes to retailers nationwide.

Heck's Properties, Inc.
Charleston, West Virginia

Mountaineer Euclid, Inc.
South Charleston, West Virginia

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: HEX

Number of Stores: (at fiscal year end)

1979	229	1976	123
1978	218	1975	116
1977	144		

Sales and Earnings

	Net Sales	Net Income
1979	$393,857,039	$ 14,861,351
1978	285,535,791	10,766,684
1977	220,240,845	7,677,907
1976	183,628,915	6,882,005
1975	151,059,296	5,113,994

	No. of Com. Shares †	Earn. per Share #
1979	6,480,790	$2.29
1978	6,475,665	1.72
1977	6,148,090	1.24
1976	6,135,740	1.12
1975	6,126,134	0.84

† Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues by Line of Business
(000's)

	1979	1978
Discount dept. & shoe stores	$ 292,678	$ 201,302
Wholesale distributors	57,619	41,815
Heavy equipment sales & serv.	28,096	22,954
Other industries	18,275	21,984
Total	$ 396,668	$ 288,055

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.285	—	—
1978	0.24	—	—
1977	0.21	—	—
1976	0.11	—	—
1975	0.075	—	2-for-1 +

‡ Adjusted to reflect stock split.
+ Declared April, 1976.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 79,551,302	$12.27
1978	66,501,371	10.27
1977	53,983,170	8.78
1976	47,523,545	7.75
1975	41,273,790	6.74

‡ Adjusted to reflect stock split.

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$393,857,039	$285,535,791
Other income	2,810,626	2,518,909
Total income	$396,667,665	$288,054,700
Cost of sales	278,722,341	207,902,458
Expenses	79,693,467	52,906,516
Interest expense	9,075,712	6,204,299
Income before taxes	$ 29,176,145	$ 21,041,727
Income taxes	14,273,742	10,049,465
Minority interest	41,052	225,578
Net Income	$ 14,861,351	$ 10,766,684

* Included in Costs and Expenses, Depreciation and Amortization: $5,737,759 in 1979 and $4,033,963 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 8,069,796	$ 7,392,986
Bank deposits	9,000,000	10,160,000
Marketable secur.	9,874,727	5,410,827
Accts. receiv., net	12,167,082	13,134,841
*Inventories	107,959,893	90,216,482
Other assets	4,434,036	3,913,138
Current Assets	$151,505,534	$130,228,274
Investments	2,131,487	4,309,880
#Fixed assets	62,851,201	56,258,050
Other assets	7,642,939	7,735,781
Total Assets	$224,131,161	$198,531,985

Liabilities

Notes payable	$ 16,165,895	$ 15,713,280
Long-term debt, curr.	622,555	488,448
Cap. lease oblig., curr.	1,341,733	1,299,758
Accts. payable	25,423,708	24,162,997
Income taxes	6,899,223	5,049,554
Other liabilities	11,683,262	8,816,803
Curr. Liabilities	$ 62,136,376	$ 55,530,840
Long-term debt	50,152,372	44,616,414
Cap. lease oblig.	29,455,077	29,074,727
Minority interest	2,836,034	2,808,633
+Common stock	651,071	650,559
Add. paid-in capital	18,334,841	18,300,759
Retained earnings	60,702,750	47,687,413
Treasury stock	(137,360)	(137,360)
Total Liabilities & Shareholders' Equity	$224,131,161	$198,531,985

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.41	7.37
%Net Income to Sales	3.77	3.77
%Net Income to Equity	18.68	16.19
Sales to Inventories	3.65	3.17
Working Capital	$ 89,369,158	$ 74,697,434
Current Ratio	2.44	2.35
Shareholders' Equity	$ 79,551,302	$ 66,501 71

Heilig-Meyers Company

3228 West Cary Street
Richmond, Virginia 23221
(804) 359-9171

Officers: H. Meyers, president; S. Sidney Meyers, Nathaniel Krumbein, sr. v.p.'s; Charles H. Krumbein, v.p.; Troy A. Peery, Jr., treasurer; John H. Sniffin, asst. treasurer; William J. Dieter, controller; Forrest S. Wagoner, II, asst. controller.

Directors: H. Meyers, S. Sidney Meyers, Nathaniel Krumbein, Robert L. Burrus, Jr., Alexander Alexander, Lawrence N. Smith, Alan G. Fleischer, George A. Thornton, III.

Business Activities: Operates a chain of retail home furnishings stores in Virginia, North Carolina, South Carolina and West Virginia.

Subsidiaries:

Heilig-Meyers Company of Virginia
Thornton Furniture Company, Incorporated
Thornton-Vaughan Incorporated
Heilig-Meyers Company of North Carolina
Heilig-Meyers Company of South Carolina
Heilig-Meyers Company of West Virginia

All at:
3228 West Cary Street
Richmond, Virginia 23221
(804) 359-9171

Transfer Agent(s):

United Virginia Bank
900 East Main Street
Richmond, Virginia 23214

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HMEY (NASDAQ)

Number of Stores: (at fiscal year end)

1980	74	1977	58
1979	70	1976	56
1978	64		

Sales and Earnings

	Net Sales	Net income
1980	$ 70,085,000	$ 5,076,000
1979	60,767,000	4,430,000
1978	53,344,449	4,012,000
1977	45,889,381	3,395,000
1976	40,962,805	2,887,000

	No. of Com. Shares‡	Earn. per Share‡
1980	3,230,000	$1.57
1979	3,230,000	1.37
1978	3,230,000	1.24
1977	3,230,000	1.05
1976	3,230,000	0.89

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.26	10% & 10% +	
1979	0.22	10%	
1978	0.17	10%	
1977	0.14		
1976	0.11		

‡Adjusted to reflect stock dividend.
+ Declared May, 1980.

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 35,107,000	$10.87
1979	30,877,000	9.56
1978	27,162,000	8.41
1977	23,707,000	7.34
1976	20,753,000	6.42

‡ Adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended March 31	1980	1979
Net sales	$ 70,085	$ 60,767
Other income	11,397	9,630
Total income	$ 81,482	$ 70,397
Cost of sales	44,038	37,868
Expenses	20,694	17,819
Prov. for doubtful accts.	3,071	3,171
Prof. sh. plan	402	360
Interest expense	3,617	2,618
Income before taxes	$ 9,660	$ 8,561
Income taxes	4,584	4,131
Net Income	$ 5,076	$ 4,430

* Included in Costs and Expenses, Depreciation and Amortization: $1,516,000 in 1980 and $1,180,000 in 1979.

Assets
(000's)

As of March 31	1980	1979
Cash	$ 2,320	$ 3,123
Accts. receiv., net	48,517	40,676
Other receiv.	291	336
*Inventories	21,447	17,629
Prepaid expenses	1,727	1,327
Current Assets	$ 74,302	$ 63,091
Cash value of life ins.		523
≠Fixed assets	14,208	11,743
Other assets	422	396
Total Assets	$ 88,932	$ 75,753

Liabilities
(000's)

	1980	1979
Notes payable	$ 14,000	$ 14,875
Long-term debt, curr.	1,284	904
Accts. payable	4,094	2,991
Accrued compensation	964	690
Accruals	4,132	3,454
Income taxes	11,251	9,287
Curr. Liabilities	$ 35,725	$ 32,201
Long-term debt	18,100	12,675
+Common stock	5,873	5,339
Add. paid-in capital	7,438	5,638
Retained earnings	21,796	19,900
Total Liabilities & Shareholders' Equity	$ 88,932	$ 75,753

* At lower of cost or market, by the retail method.
≠ Less accumulated depreciation and amortization.
+ $2 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Total Income	11.86	12.16
%Net Income to Total Income	6.23	6.29
%Net Income to Equity	14.46	14.35
Working Capital	$ 38,577,000	$ 30,890,000
Current Ratio	2.08	1.96
Shareholders' Equity	$ 35,107,000	$ 30,877,000

Hess's, Inc.

M

Ninth and Hamilton Streets
Allentown, Pennsylvania 18101
(215) 435-8411

Officers: Philip I. Berman, chairman of the board & chief exec. officer; Irwin Greenberg, president & chief operating officer; Muriel M. Berman, v.p. & vice chairman of the board; Duane F. White, financial v.p. & treasurer; Bernard Frank, secretary; Stephen J. Furst, exec. v.p.-admininstration; John Murphy, v.p.-director of planning & operations; Joseph Bigatel, sr. v.p.-general merchandise manager; Fred Bentelspacher, v.p.-director of public relations & sales promotions; Robert Wells, v.p.-Hess's Harrisburg East Store manager; Howard Coleman, v.p.-asst. general merchandise manager; Terry Letterhouse, v.p.-merchandise manager, Furniture Div.; Wolfgang Otto, v.p.-director of graphic communications & display; James Quigley, v.p. -merchandise controller; Leighton Gouck, v.p.-merchandise manager, Housewares Div.; Marvin Karll, v.p.-merchandise manager-Fashion Accessories Div.; Frank Stephens, v.p.-corp training director; Adolf Klova, asst. v.p.-director of advertising; Larry Baughman, v.p.-director of personnel; Richard Jula, v.p.-director of management info. systems; Wayne Barto, asst. v.p.-director of food services; Carol M. Gurenwald, asst. v.p.-merchandise manager, Intimate Apparel Div.; Bruce W. Kratz, asst. v.p.-director of customer services; William Minnich, asst. v.p.-Hess's Plymouth Meeting Store manager; Susan L. Turner, asst. v.p.-Hess's Westgate Store manager; Edwin M.F. Yeager, asst. v.p.-Western Regional Stores Director; Richard Johnson, asst. v.p.-merchandise mgr., cosmetics; Mary Jo Szabo, asst. v.p.-merchandising mgr., Misses Sportswear Div.; Robert Davis, asst. v.p.-alterations dir.; Nicholas Baxevane, asst. v.p.-merch. mgr., Men's Div.; Gwendolyn Bear, asst. v.p.-Hess's South Store Mgr.; Daniel Christ, asst. v.p.-home furnishings coordinator; Dennis Defrain, asst. v.p.-dir. merchandise distribution; Kenneth Hinkle, asst. v.p.-dir financial planning; Thomas Maciag, asst. v.p.-merchandise mgr., Major Appliances and Electronics Div.; Robert Siegel, asst. v.p.-Eastern Regional Store director; Jerome Frank, asst. secretary.

Directors: Philip I. Berman, Muriel M. Berman, James Czech, Marlin Hevner, Frank Pasquerilla, Irwin Greenberg, John P. Eally, Jr., George M. Leader, Bernard Frank, Duane F. White.

Business Activities: Owns and operates retail stores located in Allentown, Bethlehem, Whitehall, Palmer Township, Richland Township, Harrisburg, Camp Hill, Scranton, Doylestown, Trexlertown, Stroudsburg, Williamsport, Pottstown and Wilkes Barre, Pennsylvania and Frederick, Maryland.

Subsidiary:

Hess Brothers, Inc.
Allentown, Pennsylvania
Real estate subsidiary.

Hess's Credit Corp.
Allentown, Pennsylvania

Transfer Agent(s):

Hess's Inc.
Allentown, Pennsylvania,
Broad and Chestnut Streets
Phildelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	18	1977	12
1979	16	1976	6
1978	12		

Sales and Earnings

	Net Sales ‡	Net Income
1980 +	$159,767,740	$ 3,533,071
1979	142,481,214	4,148,818
1978	118,350,200	3,055,692
1977	107,949,366	2,955,188
1976	93,290,551	2,322,428

Hess's, Inc.

	No. of Com. Shares †	Earn. per Share #
1980+	1,362,101	$2.59
1979	1,362,101	3.05
1978	1,352,349	2.24
1977	1,361,309	2.14
1976	1,395,986	1.64

+ Unaudited.
‡ Including leased departments.
† Adjusted to reflect stock dividend.
# Based on the weighted average number of common shares and common share equivalents outstanding assuming full dilution adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	n.a.	–	–
1979	$0.55	5%	–
1978	0.50	–	–
1977	0.35	–	–
1976	0.30	–	–

n.a.–not available.

Common Stock Equity

	Total Equity	Equity Per Sahre ‡
1980+	$ 29,158,553	$21.41
1979	26,034,112	19.11
1978	22,611,452	16.72
1977	20,195,033	14.84

+ Unaudited.
‡ Adjusted to reflect stock dividend.

Income Account *

Year ended Jan. 31	1980 +	979
Net sales	$159,767,740	$142,481,214
Cost of sales	120,865,248	106,600,757
Expenses	27,662,257	25,135,259
Interest expense	5,315,058	6,445,449
Gain on sale	(157,894)	(1,257,069)
Income before taxes	$ 6,083,071	$ 5,556,818
Income taxes	2,550,000	1,408,000
Net Income	$ 3,533,071	$ 4,148,818

* Included in Costs and Expenses. Depreciation: $4,428,911 in 1979.
+ Unaudited.

Assets

As of Jan 31	1980 +	1979
Cash	$ 428,292	$ 2,741,453
Accts. receiv., net	27,911,666	23,336,141
* Inventories	21,359,435	19,141,960
Prepaid expenses	1,415,689	1,568,235
Current Assets	$ 51,115,082	$ 46,787,789
# Fixed assets	57,503,986	55,159,377
Other assets	879,755	920,117
Intangibles	1,661,939	1,719,731
Total Assets	$111,160,762	$104,587,014

Liabilities

Notes payable	$ 12,000,000	$ –
Long-term debt, curr.	4,437,413	3,866,147
Accts. payable	7,271,432	9,722,782
Accruals	4,601,515	4,611,578
Co-worker compensation	1,374,818	1,542,337
Dividends payable	–	204,315
Income taxes	910,796	759,288
Deferred inc. taxes	3,984,107	3,591,107
Curr. Liabilities	$ 34,580,081	$ 24,297,554
Long-term debt	45,509,828	53,061,064
Exp. to be incurred	–	206,984
Deferred inc. taxes	1,912,300	987,300
+ Common stock	1,460,291	1,460,291
Add. paid-in capital	8,517,615	8,517,615
Retained earnings	19,786,458	16,662,017
Treasury stock	(605,811)	(605,811)
Total Liabilities & Shareholders' Equity	$111,160,762	$104,587,014

+ Unaudited.
* At LIFO cost.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.81	3.90
%Net Income to Sales	2.21	2.91
%Net Income to Equity	12.12	15.94
Working Capital	$ 16,535,001	$ 22,490,235
Current Ratio	1.48	1.93
Shareholders' Equity	$ 29,158,553	$ 26,034,112

The Higbee Company

100 Public Square
Cleveland, Ohio 44113
(216) 579-2580

Officers: Herbert E. Strawbridge, chairman of the board & chief executive officer; Robert R. Broadbent, vice chairman, president & chief operating officer; R. Bruce Campbell, exec. v.p.-administration; senior vice presidents: Anthony D. Kordalski-merchandising, James L. Vadis-gen. merch. mgr., James E. Brogan-operations, Chester R. Edwards-merchandise concepts, John P. McGinty-suburban stores, Mario A. Nolfi-gen. merch. mgr., Paul L. Volk-finance; vice presidents: Jerry Hoegner-sales promotion, James W. Day-public affairs & real estate, Charles F. Brown-Jr., asst. to pres., William E. Bates-management information & systems, Ronald H. Eisaman-regional stores, Theodore C. Johnson-personnel, Nancy Wilkes McCann-fashion, Allan J. Zambie-secretary & general counsel, Edward J. Toth-treasurer; asst. vice presidents: John D. Wilson-store architect, Hedric E. Rhodes-asst. to the chairman, David N. Harbaugh-management information, Donald F. Brady-gen. credit mgr.; Raymond Miller, asst. treasurer; Marian F. Ratnoff, asst. secretary.

Directors: Herbert E. Strawbridge, chairman; James M. Dawson, Robert R. Broadbent, Edwina Moss, John H. Bustamante, Harvey O. Mierke, Jr.; Lois Wyse, Everett Ware Smith, John J. Dwyer, Robert G. Wright, Arthur B. Modell.

Business Activities: Operates 11 Higbee's Department Stores, a budget store, an outlet store, a home store and 8 Shoe Lace Stores (formerly Red Cross Shoe Stores) all in the Cleveland area.

Division(s):

Higbee Department Store Division
100 Public Square
Cleveland, Ohio 44113
(216) 579-2580

Red Cross Shoe Stores Division
100 Public Square
Cleveland, Ohio 44113

Subsidiaries:

Higbee Development Corporation
Higbee Land Company

Transfer Agent(s):

The National City Bank of Cleveland
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HIGB (NASDAQ)

Number of Stores: (at fiscal year end)

	Dept. Stores	Shoe Stores	Women's
1980	10	10	–
1979	11	8	–
1978	10	7	6
1977	10	7	8
1976	9	7	8

Sales and Earnings

	Net Sales ‡	Net Income
1980	$197,409,000	$ 504,000
1979*	188,299,000	(1,473,000)
1978	182,099,216	3,449,000
1977	167,411,091	3,303,000
1976	159,597,643	3,920,000

	No. of Com. Shares	Earn. per Share †
1980	1,384,219	$0.36
1979	1,383,919	–
1978	1,379,146	2.50
1977	1,378,771	2.40
1976	1,370,663	2.87

(Loss)
* 53 weeks.
‡ Includes leased departments.
† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ –	–	–
1979	1.48	–	–
1978	1.48	–	–
1977	1.46	–	–
1976	1.40	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 49,536,000	$35.79
1979	49,026,000	35.43
1978	52,466,000	38.04
1977	51,052,000	37.03
1976	49,636,000	36.21

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$197,409,193	$188,298,611
Other income	7,233,950	5,557,077
Total income	$204,643,143	$193,855,688
Cost of sales	140,420,288	134,980,458
Expenses	50,911,029	50,116,142
Depreciation & amortization	5,885,996	5,489,539
Interest expense	6,772,108	6,172,695
Prov. to reduce project invest.	–	1,240,000
Income (loss) before taxes	$ 653,722	$ (4,143,146)
Income taxes (credit)	150,000	(2,670,000)
Net Income (Loss)	$ 503,722	$ (1,473,146)

Assets

As of	2/2/80	2/3/79
Cash	$ 2,066,459	$ 2,789,799
Accts. receiv., net	49,078,329	44,346,206
*Inventories	20,911,908	20,491,654
Refundable inc. taxes	–	2,102,762
Prepaid expenses	802,870	793,461

Current Assets	$ 72,859,566	$ 70,523,882
Investments	1,334,882	1,866,132
#Fixed assets	46,542,213	43,461,552
Leased prop. under cap. leases	14,234,427	22,136,656
Other assets	7,856,899	8,580,845
Defer. charges	176,910	637,733
Total Assets	$143,004,897	$147,206,800

Liabilities

Notes payable	$ 1,000,000	$ 5,000,000
Long-term debt, curr.	2,984,199	10,149,537
Accts. payable	10,939,915	9,713,340
Accruals	2,811,178	2,374,895
Accrued payroll	3,020,200	3,472,074
Interest payable	576,417	405,982
Income taxes	108,036	—
Other taxes	2,049,330	1,799,856
Deferred inc. taxes	6,007,400	5,837,400
Curr. Liabilities	$ 29,496,675	$ 38,753,084
Long-term debt	44,955,721	39,647,413
Oblig. under cap. leases	15,138,041	16,003,819
Deferred items	3,878,360	3,776,153
+Common stock	1,384,219	1,383,919
Add. paid-in capital	15,535,620	15,529,923
Retained earnings	32,616,211	32,112,489
Total Liabilities & Shareholders' Equity	$143,004,897	$147,206,800

* At cost (LIFO) which does not exceed market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.33	—
%Net Income to Sales	0.26	—
%Net Income to Equity	1.02	—
Sales to Inventories	9.44	9.19
Working Capital	$ 43,362,891	$ 31,770,798
Current Ratio	2.47	1.82
Shareholders' Equity	$ 49,536,100	$ 49,026,331

Hill Bros., Inc.

3501 Northwest 60th Street
Miami, Florida 33142
(305) 693-5800

Officers: E.H.Hill, Jr., chairman of the board, president & chief executive officer; J.W. Curry, chief administrative & financial officer, v.p. & secretary-treasurer; John O. Fredlund, v.p. & pres.-Retail Liquor Div.; William B. Stephens, v.p. & pres.-Retail Drug Div.; Fernando S. Valdes, corp. controller.

Directors: E.H. Hill, Jr.*, chairman; J.W. Curry*, John O. Fredlund, John H. Mercer, Jr., Don G. Mitchell, Louis Spector, William B. Stephens, Thomas E. Taulbee, Thomas L. Wolfe.

Division(s):

Retail Liquor Division
Shell's City Liquors operates 49 retail package liquor stores and 16 cocktail lounges in Southeast Florida.

Water Equipment & Chemicals Division
Wholesale distributor of swimming pool and irrigation supplies, equipment and accessories in Florida, doing business as Miller Associates.

Wholesale Grocery Divison
Independent wholesale grocery business in Florida.

Subsidiaries:

Shell's City Drugs, Inc.
7370 N.W. 36th Avenue
Miami, Florida 33147
(305) 696-5511

Miller Associates International, Inc.
2605 N.W. 75th Avenue
Miami, Florida 33122
(305) 592-6440

Transfer Agent(s):

Registrar & Transfer Co.
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	49	1976	41
1978	40	1975	42
1977	40		

Sales and Earnings

	Net Sales +	Net Income #
1979	$ 43,015,536	$ 238,328
1978	41,356,448	237,764
1977	36,630,530	579,687
1976	36,511,172	(134,422)
1975*	38,572,198	1,051,684

	No. of Com. Shares †	Earn. per Share # †
1979	3,510,000	$0.07
1978	3,510,000	0.07
1977	3,540,000	0.16
1976	3,600,000	—
1975*	3,760,000	0.28

(Loss)
* 53 weeks.
+ Of continuing operations only.
# Including extraordinary credit of $138,000 ($0.04 per share) in 1977 and $425,000 ($0.11 per share) in 1975.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979	1978
Water equipment & chemicals	$ 9,693,192	$ 11,653,552
Retail liquor stores & cocktail lounges	32,728,377	20,095,229
Other	593,967	607,667
Total	$ 43,015,536	$ 41,356,448

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 8,650,695	$2.46
1978	8,412,367	2.40
1977	8,176,509	2.31
1976	7,629,209	2.12
1975	7,974,274	2.12

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended	4/28/79	4/29/78
Net sales	$ 43,015,536	$ 41,356,448
Cost of sales	31,851,204	31,336,776
Other revenue	280,084	331,562
Expenses	10,892,791	9,742,749
Interest expense	254,297	165,721
Income before taxes	$ 297,328	$ 442,764
Income taxes	59,000	205,000
Net Income	$ 238,328	$ 237,764

* Included in Costs and Expenses, Depreciation and Amortization: $499,091 in 1979 and $452,048 in 1978.

Assets

As of	4/28/79	4/29/78
Cash	$ 580,803	$ 666,901
Receiv., net	1,369,124	2,501,085
* Inventories	5,824,341	4,935,158
Refund inc. taxes	275,093	
Prepaid expenses & other assets	305,760	398,262
Current Assets	$ 8,355,121	$ 8,501,406
# Fixed assets	4,900,117	3,744,602
Note receiv.	137,211	133,800
Other assets	1,190,026	928,843
‡ Intangibles	7,326	10,989
Total Assets	$ 14,589,801	$ 13,319,640

Liabilities

Notes payable-bank	$ 1,125,000	$ 634,108
Notes payable-corp. dir.	486,000	409,500
Long-term debt, curr.	196,112	336,151
Accts. payable	1,999,852	1,795,685
Other payables	19,507	190,066
Accruals	1,143,484	997,257
Current Liabilities	$ 4,969,955	$ 4,362,757
Long-term debt	897,640	433,369
Other def. items	71,511	111,137
+ Common stock	175,517	208,917
Add. paid-in capital	4,599,230	5,334,850
Retained earnings	3,875,948	3,637,620
Treasury stock	—	(769,020)
Total Liabilities & Shareholders' Equity	$ 14,589,801	$ 13,319,640

*At lower of cost (FIFO) or market. Retail store inventories at lower of cost or market determined by the retail method.
Less accumulated depreciation.
‡ Less accumulated amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.69	1.07
%Net Income to Sales	0.55	0.57
%Net Income to Equity	2.76	2.83
Working Capital	$ 3,385,166	$ 4,138,639
Current Ratio	1.68	1.95
Shareholders' Equity	$ 8,650,695	$ 8,412,367

D. H. Holmes Company, Limited

819 Canal Street
New Orleans, Louisiana 70112
(504) 561-6611

Officers: Hugh McC. Evans, chairman of the board; T. Robert Fiddler, president; Robert L. Karem, executive v.p.; James E. Ammon, sr. v.p.-finance, information & planning; Donald W. Johnston, sr. v.p.-merchandise & publicity; Louis R. Roussel, sr. v.p.-physical properties & merchandise presentation; Robert G. Morgan, sr. v.p.-personnel & operations; George W. Dodge, secretary; Paul R. Falter, v.p.-controller & treasurer; E. Stewart Maunsell II, v.p. & asst. secretary; Charles Ennis, Mary E. Tahir, v.p.'s & gen. merch. mgrs.; Kenneth J. DeZwaan, v.p.-suburban stores; J. F. Hebert, v.p.-public affairs.

Directors: Frank J. Buescher, George W. Dodge, Hugh McC. Evans, E. Stewart Maunsell II, T. Robert Fiddler, John L. Toler, George G. Westfeldt, Jr., Albert Flettrich, Frank E. Schmidt, Donald J. Nalty, Norris S. L. Williams.

Business Activities: Operates 12 department stores and car care centers in Louisiana, Alabama and Mississippi. Also operates thirteen separate shoe stores and two card shops in shopping centers, and two cafeterias near its New Orleans area stores.

Subsidiaries:

D. H. Holmes Realty, Inc.
D. H. Holmes Credit Corporation (unconsolidated)

D. H. Holmes Company, Limited

Transfer Agent(s):

D. H. Holmes Company, Limited
New Orleans, Louisiana

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HLME (NASDAQ)

Number of Stores: (at fiscal year end)

1980	12	1977	9
1979	12	1976	9
1978	11		

Sales and Earnings

	Net Sales ‡	Net Income
1980*	$176,548,000	$ 5,585,000
1979	159,745,207	3,913,235
1978	136,685,648	3,261,424
1977	127,428,071	2,674,733
1976	117,604,518	2,684,345

	No. of Com. Shares #	Earn. per Share #
1980	1,261,000	$4.43
1979	1,161,856	3.37
1978	1,072,769	3.04
1977	1,070,334	2.50
1976	1,061,118	2.53

* 53 weeks.
‡ Including leased departments.
# Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.49	—	—
1979	1.24	—	5-for-4
1978	0.98	—	—
1977	0.88	—	—
1976	0.74	—	5-for-4

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 38,026,000	$29.30
1979	32,658,000	27.29
1978	28,223,000	26.33
1977	26,002,000	24.28
1976	24,100,000	22.70

‡ Adjusted to reflect stock splits.

Income Account

Year ended	2/2/80 53 (weeks)	1/27/79
Net sales	$176,548,000	$159,745,207
Cost of sales	118,599,000	107,21[illegible],324
Expenses	34,443,000	31,324,340
Depreciation & amortization	3,557,000	3,206,722
Prov. for doubtful accts.	1,509,000	877,364
Rents	3,247,000	2,986,455
Repair & maintenance	1,910,000	1,851,623
Interest expense	6,210,000	5,067,660
Pension plan costs	948,000	861,313
Gain on sale	(2,936,000)	—
Income before taxes	$ 9,061,000	$ 6,350,406
Income taxes	3,476,000	2,437,171
Net Income	$ 5,585,000	$ 3,913,235

Assets

As of	2/2/80	1/27/79
Cash	$ 6,799,000	$ 6,690,522
Accts. receiv., net	15,871,000	14,907,515
*Inventories	22,876,000	21,307,944
Other current assets	1,142,000	1,601,683
Current Assets	$ 46,688,000	$ 44,507,664
Investments	4,973,000	5,078,009
#Fixed assets	44,645,000	41,867,191
Other assets	468,000	507,315
Total Assets	$ 96,774,000	$ 91,960,179

Liabilities

Notes payable	$	$ 1,300,000
Long-term debt, curr	2,473,000	2,245,570
Accts. payable	10,482,000	8,716,617
Accruals	3,064,000	2,686,032
Income taxes	7,776,000	5,919,110
Curr. Liabilities	$ 23,795,000	$ 20,867,329
Long-term debt	20,614,000	24,470,232
Deferred inc. taxes	3,234,000	2,836,301
Cap. lease oblig.	11,105,000	11,128,194
+Common stock	6,512,000	5,983,475
Add. paid-in capital	8,201,000	7,059,355
Retained earnings	23,313,000	19,615,293
Total Liabilities & Shareholders' Equity	$ 96,774,000	$ 91,960,179

* At LIFO cost.
# Less accumulated depreciation and amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.13	3.98
%Net Income to Sales	3.16	2.45
%Net Income to Equity	14.69	11.98
Sales to Inventories	7.72	7.50
Working Capital	$ 22,893,000	$ 23,640,335
Current Ratio	1.96	2.13
Shareholders' Equity	$ 38,026,000	$ 32,658,123

Hook Drugs, Inc.

2800 Enterprise Street
P.O. Box 26285
Indianapolis, Indiana 46226
(317) 353-2181

Officers: Norman P. Reeves, chairman of the board & chief exec. officer; J. Douglas Reeves, president & chief operating officer; John R. Roesch, sr. v.p. & secretary; Newell J. Hall, exec. v.p.; Kenneth R. Gaskins, v.p.-store & warehouse oper.; William F. Perkins, v.p.-advertising; Mark A. Varnau, v.p. merchandising; Robert W. Haldi, treasurer & chief financial officer; John C. Fechtman, v.p.-The H. Lieber Div.; John C. Carlisle, v.p.-properties mngmnt.; Robert K. Richardson, controller & asst. secretary-treasurer; Thomas R. Cunningham, Philip H. Ferro, Harry F. Layne, James A. Richter, James M. Rogers, Raymond W. Rizzo; James W. Caldwell, Donna M. Galerman, Keith D. Johns, Dora Ward, asst. v.p.'s.

Directors: John P. Collett, August F. Hook, Wiiam H. Krieg, Robert Langsenkamp, Norman P. Reeves, Frank L. Reissner, Edward J.F. Roesch, John R. Roesch, Russell E. Carlisle, Newell J. Hall, Max S. Norris J. Douglas Reeves, Thomas M. Miller.

Business Activities: Operates a chain of drug stores in Indiana and Illinois. Also operates three regional convalescent aid and home health care centers and six Quik-Way Convenient Food Markets.

Transfer Agent(s):

American Fletcher National Bank and Trust Company
Indianapolis, Indiana

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HOOK (NASDAQ)

Number of Stores: (at fiscal year end)

1979	251	1976	221
1978	236	1975	213
1977	229		

Sales and Earnings

	Net Sales	Net Income †
1979	$207,215,242	$ 6,373,429
1978	184,239,742	5,629,000
1977	168,145,076	4,506,000
1976	148,090,142	3,685,000
1975	133,740,153	3,483,000

	No. of Com. Shares	Earn. per Share ‡†
1979	2,888,730	$2.22
1978	2,892,098	1.95
1977	2,891,698	1.56
1976	2,884,698	1.28
1975	2,883,438	1.21

† Restated to reflect change in accounting method.
‡ Based on average number of shares outstanding.

Revenues by Line of Business

	1979	1978	1977	1976
Prescriptions	28%	28%	27%	27%
Over-the-counter drugs, cosmetics, toiletries, candy, sundries & related items	62	61	60	60
Tobacco products	10	11	11	11
Vending & other	—	—	2	2
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.20	—	—
1978	1.05	—	—
1977	0.80	—	—
1976	0.80	—	—
197.	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 32,526,048	$11.26
1978	29,679,488	10.26
1977	27,082,107	9.37

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$207,215,242	$184,239,742
Cost of sales	134,780,524	120,029,410
Expenses	58,242,888	51,340,925
Oper. profit	$ 14,191,830	$ 12,869,407
Other income	426,729	452,508
Total	$ 14,618,559	$ 13,321,915
Other charges	2,099,137	1,738,762
Income before taxes	$ 12,519,422	$ 11,583,153
Income taxes	6,145,993	5,954,569
Net Income	$ 6,373,429	$ 5,628,584

* Included in Costs and Expenses, Depreciation $2,359,034 in 1979 and $2,150,655 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 1,584,761	$ 2,886,901
U.S. Treasury bills	2,500,000	3,000,000
Accts. receiv., net	2,277,830	1,920,391
* Inventories	39,344,550	35,000,551
Prepaid expenses	84,547	67,290
Current Assets	$ 45,791,688	$ 42,875,133
# Fixed assets	12,883,800	11,579,515
† Leased prop under cap. leases	10,071,035	9,069,391
Deposits & other assets	174,116	135,746
Deferred inc. taxes	606,615	458,566
Total Assets	$ 69,527,254	$ 64,118,351

Liabilities

	1979	1978
Long-term debt	$ 80,911	$ 74,981
Cap. lease oblig., curr.	256,173	220,859
Accts. payable	16,086,566	15,560,045
Prop. & sales taxes	1,710,043	1,564,650
Emp. comp. & pay. taxes	3,377,369	2,986,477
Income taxes	2,401,257	2,118,237
Curr. Liabilities	$ 23,912,319	$ 22,525,249
Long-term debt	1,638,321	1,719,232
Cap. lease oblig.	11,450,566	10,194,382
+ Common stock	3,358,350	3,297,078
Retained earnings	29,306,129	26,382,410
Treasury stock	(138,431)	—
Total Liabilities & Shareholders' Equity	$ 69,527,254	$ 64,118,351

& at lower of cost (FIFO) or market.
# Less accumulated depreciation.
† Less accumulated amortization.
+ No par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	6.04	6.29
%Net Income to Sales	3.08	3.06
%Net Income to Equity	19.59	18.96
Sales to Inventories	5.27	5.26
Working Capital	$ 21,879,369	$ 20,349,884
Current Ratio	1.91	1.90
Shareholders' Equity	$ 32,526,048	$ 29,679,488

The Horn & Hardart Company

1163 Avenue of the Americas
New York, New York 10036
(212) 265-6000

Officers: Barry W. Florescue, chairman of the board & president; Robert F. Byrnes, sr. exec. v.p.; Franklin I. Levy, exec. v.p.-real estate; Michael J. Lo Bue, exec. v.p.-finance; Franklin Sands, exec. v.p.-marketing; Augustin S. Hardart, Jr., v.p.-admin. & secretary; Munir Saltoun, v.p. & treasurer; Kirk Sermabeikian, v.p. & controller.

Directors: Barry W. Florescue, chairman of the board; Donald Schupak, Robert F. Byrnes, William J. Curtis, John Gerlach, Augustin S. Hardart, Jr., James D. Lowry, Jack E. Rosenfeld, Franklin Sands, Ozzie Silna.

Business Activities: Engaged in operations in three industries: food service, mail order and gaming. The food service business consists of the operation of fast food, cafeteria and service restaurants and institutional food service contracts, principally in New York. The mail order business, located in Pennsylvania, specializes in the sale of novelty products, unique items and specialty merchandise, women's fashions, and garden [illegible] and nursery products through catalogs and magazine and newspaper advertising. Also operates the Royal Inn Hotel and Casino in Las Vegas and two adjacent motels.

Divisions and Subsidiaries:

Hanover House Industries, Inc.
340 Poplar Street
Hanover, Pennsylvania 17331

Leavitt Advertising Agency, Inc.
225 West 34th Street
New York, New York 10001

DuBarry-Fifth Avenue, Inc.
68-33rd Street
Brooklyn, New York, 11232

Acquisition(s):

Royal Inn Hotel (February 15, 1980)
Mansion Manor Motel
Royal Riviera Motel
All located in Las Vegas.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: HOR

Sales and Earnings

	Net Sales	Net Income ‡
1979	$100,110,000	$ 4,250,000
1978	77,636,000	1,500,000
1977*	59,663,000	(2,553,000)
1976	52,694,000	(2,678)
1975	48,375,000	116,000

	No. of Com. Shares †	Earn. per Share ‡†
1979	3,092,916	$1.42
1978	1,709,316	0.83
1977	1,400,846	—
1976	1,400,846	—
1975	1,400,846	—

(Loss)
* 53 weeks.
‡ Including extraordinary gains of $1,921,000 ($1.42 per share) $885,000 ($0.83 per share) in 1978 and $51,000 ($0.04 per share) in 1975.
† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978
Food service	$ 37,915,000	$ 30,029,000
Mail order	62,195,000	47,607,000
Total	$100,110,000	$ 77,636,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split *
1980	—	—	2-for-1

* Distributed February 15, 1980.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1979	$ 15,006,000	$4.91
1978	5,574,900	4.85
1977	1,017,900	3.26
1977	1,017,900	0.73
1976	3,592,967	2.56

‡ After allowing for preferred stock at liquidation value of $100 per share.
† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 100,110	$ 77,636
Cost of sales & oper. exp.	81,378	66,748
Interest expense	366	656
Income before taxes	$ 4,342	$ 1,584
Income taxes	2,013	969
Net Income	$ 2,329	$ 615
Extraord. gain	1,921	885
Net Income & extraord. gain	$ 4,250	$ 1,500

* Included in Costs and Expenses, Depreciation and Amortization: $1,552,000 in 1979 and $1,382,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 8,040	$ 5,032
Accts. & notes receiv., net	3,750	2,746
* Inventories	4,920	3,740
Other assets	5,740	3,858
Current Assets	$ 22,450	$ 15,376
Notes receiv.	2,461	2,404
# Fixed assets	31,856	11,172
Defer. charges & other assets	1,552	1,382
Intangibles	2,683	2,779
Total Assets	$ 61,002	$ 33,113

Liabilities
(000's)

	12/29/79	12/30/78
Notes payable	$ 1,500	$ 1,500
Long-term debt, curr.	1,453	1,097
Acq. payable	2,053	—
Accts. payable	11,301	6,883
Accruals	5,164	3,096
Cust. prepayments & credits	1,723	1,856
Curr. Liabilities	$ 23,194	$ 14,432
Long-term debt	13,607	4,019
Obligations under capital leases	3,582	[illegible]
Other liabilities	1,166	[illegible]
Deferred income	2,133	2,307
+ Preferred stock	2,314	2,314
+ + Common stock	3,056	1,310
Add. paid-in capital	13,724	10,443
Deficit	(1,129)	(5,379)
Notes receivable	(645)	(799)
Total Liabilities & Shareholders' Equity	$ 61,002	$ 33,113

* At lower of cost (FIFO for merchandises average cost for food and beverage) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; 5% cumulative.
+ + $1 par value.

Statistical Summary

	12/29/79	12/30/78
%Income bef. Taxes to Sales	4.34	2.04
%Net Income to Sales	2.33	0.79
%Net Income to Equity	13.45	7.80
Sales to Inventories	20.35	20.76
Working Capital	—	$ 944,000
Current Ratio	—	1.07
Shareholders' Equity	$ 17,320,000	$ 7,889,000

Host International, Inc.

Pico Boulevard at 34th Street
Santa Monica, California 90406
(213) 450-7566

Host International, Inc.

Officers: Hulsey S. Lokey, chairman; Howard E. Varner, president; David S. Tucker, senior v.p.; Arthur T. Spring, sr. v.p.-corp. development; M. Stanley Mahoney, sr. v.p.-operations; Charles G. Slemmons, v.p.-finance; vice presidents; V. Val Delaney-restaurant operations; Andrew D. McCabe-airport region, Axel H. Wolff-Casa Maria, Vincent E. Kikugawa, v.p.-Charley Brown's and East Coast Dinner Houses; Thomas B. Wardell-management services; Richard R. Lipsky-airport operations; Ira F. Schechter-merchandise operations; Norman W. Baske-airport region; Charles C. Newman-airport region; John J. McCarthy-airport region; Douglas J. Smith-design & construction; Richard A. Anaya, Jr., treasurer; Frank D. Atkins, Jr., controller; Thomas C. Underwood, secretary & general counsel; Leo R. Murphy, assistant secretary.

Directors: Hulsey S. Lokey*, chairman; Walter Clark, Jr., Chinn Ho, Leon Irwin, Jr., Arthur Mag*, Edgar J. Marston, Jr.*, Hunter S. Marston, Jr.*, A. Clay McGowan, David S. Tucker, Howard E. Varner*, Robert H. Volk*, William C. MacInnes, Hugh F. Culverhouse*.

* Member of Executive Committee.

Business Activities: Operates dining rooms, coffee shops, snack bars and cafeterias at airports; engaged in catering for airlines; operates merchandise and gift shops; operates cocktail bars and lounges, airline clubs, and airport hotels; and restaurants called Charley Brown's, Barley Mow, Casa Maria, Joshua Tree, Phineas and Franklin Stove.

Division(s):

Airports Division
Hotels Division
Merchandise Shops Division
Charley Brown's Restaurants Division
East Coast Dinner Houses Division
Casa Maria Restaurants Division

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: HII

Number of Stores:

1979	7	1978	7

Sales and Earnings

	Net Sales +	Net Income
1979	$324,818,000	$ 16,016,000
1978	274,938,000	14,049,000
1977	228,295,000	10,584
1976	200,647,000	8,461,000
1975	179,100,000	(552,000)

	No. of Com. Shares	Earn. per Share #
1979	4,883,580	$2.94
1978	5,492,198	2.54
1977	5,467,801	1.93
1976	5,465,643	1.54
1975	5,463,216	—

(Loss)
+ Of continuing operations only.
# Based on weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979	1978
Airports	$224,981,000	$189,335,000
Merchandise shops	44,037,000	39,135,000
Specialty-type restaurants	55,800,000	43,983,000
Other	—	2,485,000
Total	$324,818,000	$274,938,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.60	—	—
1978	0.48	—	—
1977	0.43	—	—
1976	0.39	—	—
1975	0.36	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 73,468,000	$15.04
1978	72,732,000	13.24
1977	60,940,000	11.15
1976	52,561,000	9.62
1975	46,083,000	8.43

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 324,818	$ 274,938
Other income	4,249	858
Total income	$ 329,067	$ 275,796
Cost of sales	281,739	236,113
Expenses	9,241	7,776
Interest expense	5,004	4,454
Income before taxes	$ 33,083	$ 27,453
Income taxes	14,671	13,544
Inc. from cont. oper.	$ 18,412	$ 13,909
Inc. (loss) from discont. oper	(2,396)	140
Net Income	$ 16,016	$ 14,049

* Included in Costs and Expenses, Depreciation and Amortization: $9,093,000 in 1979 and $7,706,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 7,089	$ 5,251
Short-term invest.	—	11,255
Accts. receiv., net	9,249	8,988
*Inventories	24,804	23,410
Prepaid expenses	7,507	7,562
Assets of discont. oper.	11,618	—
Current Assets	$ 60,267	$ 56,466
#Fixed assets	99,017	95,814
Other assets	8,473	10,933
Assets of discont. oper.	8,424	—
Total Assets	$ 176,181	$ 163,213

Liabilities
(000's)

	1979	1978
Long-term debt, curr	$ 2,728	$ 2,459
Accts. payable	25,585	22,999
Accrued payroll	4,704	4,568
Income taxes	3,351	3,988
Other taxes	2,597	2,170
Other liabilities	1,530	2,070
Curr. Liabilities	$ 40,495	$ 38,254
Long-term debt	33,997	20,343
5¼% convert. sub. debent	16,937	19,950
Deferred inc. taxes	720	2,026
Cap. lease oblig.	9,350	9,157
Misc. liabilities	1,214	751
+ Common stock	12,209	13,731
Add. paid-in capital	2,398	2,441
Retained earnings	58,861	56,560
Total Liabilities & Shareholders' Equity	$ 176,181	$ 163,213

* At lower of cost (generally FIFO) or market.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Net Income to Equity	21.80	19.32
Sales to Inventories	13.10	11.74
Working Capital	$ 19,772,000	$ 18,212,000
Current Ratio	1.49	1.48
Shareholders' Equity	$ 73,468,000	$ 72,732,000

House of Fabrics, Inc.

13400 Riverside Drive
Sherman Oaks, California 91423
(213) 995-7000

Officers: David Sofro, chairman of the board & chief exec. officer; Charles Sofro, vice chairman of the board; Allan M. Getz, president & chief operating officer; Barney Sofro, exec. v.p., secretary & director of store operations; David Marks, sr. v.p.; Gary L. Larkins, v.p.-finance, treasurer & chief financial officer; Jack Thais, Bill M. Smith, Donald R. Ardemagni, Dennis C. Wolsleger, v.p.'s; Elmer B. Simbol, controller; Alan Jacobs, general counsel; Aurora Stewart, asst. secretary.

Directors: David I. Sofro*, chairman; Allan M. Getz*, David Marks*, E. Ben Mitchell, Barney Sofro*, Charles Sofro*, Jack Thais*, Gary L. Larkins*, Mortimer Andron, James J. McMorrow.

* Member of Executive Committee.

Business Activities: Sells fabrics and sewing notions through retail stores in 41 states. The name "House of Fabrics" is used for stores located west of the Rocky Mountains, the name "So-Fro Fabrics" is used for stores east of the Rocky Mountains.

Transfer Agent(s):

Bank of America National Trust & Savings Association
55 Hawthorne St.
San Francisco, California 94105

Stock Exchange(s): New York, Pacific

Ticker Symbol: HF

Number of Stores: (at fiscal year end)

1980	561	1977	482
1979	560	1976	435
1978	520		

Sales and Earnings

	Net Sales	Net Income
1980	$155,858,000	$ 2,471,000
1979	150,095,000	2,389,000
1978	138,256,000	6,739,000
1977	120,361,000	6,340,000
1976	114,198,000	5,871,000

	No. of Com. Shares	Earn. per Share‡
1980	5,406,632	$0.46
1979	5,377,589	0.42
1978	5,715,239	1.18
1977	5,707,839	1.11
1976	5,699,707	1.03

‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.28	—	—
1979	0.36	—	—
1978	0.32	—	—
1977	0.27	—	—
1976	0.21	—	—

Household Finance Corporation

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 47,374,000	$8.76
1979	46,290,000	8.61
1978	47,883,000	8.38
1977	42,930,000	7.52
1976	38,086,000	6.68

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 155,858	$ 150,095
Cost of sales	85,927	85,303
Expenses	64,011	59,325
Interest expense	1,527	1,137
Income before taxes	$ 4,393	$ 4,330
Income taxes	1,922	1,941
Net Income	$ 2,471	$ 2,389

* Included in Costs and Expenses. Depreciation and Amortization: $3,482,000 in 1980 and $2,836,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 1,260	$ 1,966
Receiv., net	722	372
Inc. taxes receiv.	—	2,999
*Inventories	55,748	48,429
Prepaid expenses	1,178	1,322
Current Assets	$ 58,908	$ 55,088
# Fixed assets	22,879	21,520
Other assets	316	356
Total Assets	$ 82,103	$ 76,964

Liabilities
(000's)

	1980	1979
Notes payable	$ 4,750	$ —
Long-term debt, curr.	980	970
Accts. payable	18,731	18,626
Accruals	3,019	2,933
Income Taxes	84	—
Curr. Liabilities	$ 27,564	$ 22,529
Long-term debt	7,165	8,145
+ Common stock	541	597
Add. paid-in capital	12,754	12,578
Retained earnings	34,079	33,115
Total Liabilities & Shareholders' Equity	$ 82,103	$ 76,964

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value in 1980; no par value, $0.11-1/9 stated value in 1979.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	2.82	2.88
%Net Income to Sales	1.59	1.59
%Net Income to Equity	5.70	5.16
Sales to Inventories	2.80	3.10
Working Capital	$ 31,344,000	$ 32,559,000
Current Ratio	2.14	2.45
Shareholders' Equity	$ 47,374,000	$ 46,290,000

Household Finance Corporation

International Headquarters
2700 Sanders Road
Prospect Heights, Illinois 60070
(312) 564-5000

Officers: Gilbert R. Ellis, chairman of the board & chief executive officer; Donald C. Clark, president; Robert E. Bouma, sr. v.p. & general counsel; James L. McCormick, sr. v.p.-gov't & public affairs; John B. Spring, sr. v.p. & chief financial officer; John W. Ostrem, sr. v.p.-planning & development; Gaylen N. Larson, group v.p. & controller; James D. Pinkerton, v.p.-administration & secretary; Robert K. Sti[illegible]er, treasurer.

Directors: Donald C. Clark*, John T. Gurash*, Joseph W. James, G. R. Ellis*, T. D. Flynn, M. P. Kartalia, G. P. Osler William D. Hendry, A. E. Rasmussen*, G. W. Rauch*, M. Upton, J. C. Whitehead, J. M. Tait, R. C. Trow, Mary J. Head, Richard H. Headlee.

* Member of Executive Committee.

Business Activities: The Company is involved in four separate areas:

Retail: Merchandising business consists of 161 supermarkets, 935 general merchandise stores and 40 home furnishings stores and 92 hard goods stores. All stores are company-owned and operated.

Finance: Finance services include consumer loans, commercial loans, consumer purchases financing, commercial leasing, industrial banks, credit insurance, consumer finance and banking, savings and loans, and consumer education.

Manufacturing: Products include vacuum ware, jugs and ice chests, plastic insulated tableware, snack jars, lunch kits, all weather emergency and sportsman's blankets, barbecue grills, automatic ice machines, metal finishing machines and medias, drinking fountains and water coolers, industrial casters and wheels, special urethane products, appliance controls, custom vacuum metallized films, soft and hardboard automobile products.

Transportation: Operates National Car Rental System, Inc., which rents and leases cars and trucks. Also rents and leases portable dredging machines, and is involved in specialized air cargo containerization.

Retail Divisions & Subsidiaries:

City Products Corporation
Chicago, Illinois
Operates a number of merchandising stores coast to coast.

Ben Franklin Stores
Variety chain—1,885 independently owned stores operating in all 50 states.

T.G. & Y.
Operates 935 owned variety stores in the South, Southwest and Midwest.

Von's Grocery Co.
Operates 161 Von's supermarkets in the southern California area. *

Coast-to-Coast Stores
Operates 1,203 franchised hard goods stores in the Midwest, West and Northwest.

White Stores
Operates 462 franchised hard goods stores in the South and Southwest.

Barker's
Los Angeles, California
Operates decorator-oriented home furnishing stores in Southern California.

American Furniture
El Paso, Texas
Operates furniture stores in Texas.

Huffman-Koos
Operates decorator-oriented home furnishing stores in New Jersey and New York.

Colby Home Furnishings
Chicago, Illinois
Operates decorator-oriented home furnishing stores in the metropolitan Chicago area.

Transfer Agent(s):

Harris Trust and Savings Bank
Stock Transfer Division
111 W. Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest, Phila-Balt-Wash*, Boston*

* Unlisted trading privileges.

Ticker Symbol: HFC

Number of Stores: (at fiscal year end)

Variety	Franchised	Owned
1979	1,885	935
1978	1,941	917
1977	1,995	920
1976	2,074	933
1975	2,094	923
Supermarkets		
1979	—	161
1978	—	146
1977	—	139
1976	—	131
1975	—	129
Hard Goods		
1979	1,665	92
1978	1,692	105
1977	1,695	109
1976	1,661	113
1975	1,663	149
Home Furnishings & Furniture Stores		
1979	—	40
1978	—	40
1977	—	39
1976	—	39
1975	—	40

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1979	$ 3,918,800	$ 57,100
1978	3,312,600	64,000
1977	2,846,930	52,800
1976	2,521,400	42,000
1975	2,224,968	28,600

+ Of merchandising business only.

Revenues by Line of Business
(000's)

	1979	1978
Finance	$ 836,100	$ 738,100
Manufacturing	245,600	232,200
Transportation	310,800	261,800
Merchandising:		
Retail business		
Gen. merch.	$ 1,582,400	$ 1,351,000
Supermarkets	1,473,400	1,193,000
Home furnishings	142,300	122,000
Wholesale business:		
Gen. merch.	720,700	647,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.50	—	—
1978	1.375	—	—
1977	1.25	—	—
1976	1.15	—	—
1975	1.05	—	3-for-2

Household Finance Corporation

Income Account
(000's)

Year ended Dec. 31	1979	1978
Manufacturing subs.:		
Sales & rev.	$ 245,600	$ 232,200
Cost of sales	177,600	162,100
Expenses	31,700	28,800
Interest expense	1,400	500
Unrealized foreign exch.	(100)	—
Income before taxes	$ 35,000	$ 40,800
Income taxes	15,300	19,600
Net Income	$ 19,700	$ 21,200
Merchandising subs.:		
Sales & rev.	$ 3,918,800	$ 3,312,600
Cost of sales	3,136,200	2,616,300
Expenses	647,700	547,700
Interest expense	32,800	26,000
Income before taxes	$ 102,100	122,600
Income taxes	45,000	58,600
Net Income	$ 57,100	$ 64,000
Finance Business:		
Revenues	$ 836,100	$ 738,100
Expenses & prov. for losses	709,000	570,000
Unrealized foreign exch.	(7,400)	33,300
Income before taxes	$ 134,500	$ 134,800
Income taxes	44,100	60,400
Net Income	$ 90,400	$ 74,400
Income from oper. of rental & leasing bus.	17,600	16,100
Exp. from corp. oper.	23,600	(22,500)
Net Income	$ 161,200	$ 153,200

Assets +
(000's)

As of Dec. 31	1979	1978
Cash	$ 4,100	$ 4,500
Accts. & notes receiv., net	113,400	108,400
Investments	691,700	616,600
Prepaid expenses	14,300	9,900
Current Assets	$ 823,500	$ 739,400
#Fixed assets	358,800	295,200
Other assets	23,500	19,400
Intangibles	8,800	8,800
Total Assets	$ 1,214,600	$ 1,062,800

Liabilities
(000's)

Short-term debt	$ 15,000	$ 15,000
Long-term debt. & cap. lease oblig., curr	13,200	13,000
Accts. payable	435,600	344,600
Dividends payable	6,000	6,000
Income taxes	21,800	25,100
Current Liabilities	$ 491,600	$ 403,700
Long-term debt	131,100	134,600
Cap. lease oblig.	109,800	77,200
Deferred inc. taxes	9,200	7,500
+Common stock	17,900	17,900
Add. paid-in capital	60,900	60,900
Retained earnings	394,100	361,000
Total Liabilities & Shareholders' Equity	$ 1,214,600	$ 1,062,800

+ Of merchandising subsidiaries only.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	2.61	3.70
%Net Income to Sales & Rev.	1.46	1.93
%Net Income to Equity	12.07	14.55
Working Capital	$331,900,000	$335,700,000
Current Ratio	1.68	1.83
Shareholders' Equity	$472,900,000	$439,800,000

Hubbard's Cupboard Inc.

P.O. Box 1248
452 Fayette Street
Perth Amboy, New Jersey 08862
(201) 442-8639

Officers: Daniel Rockoff, chairman of the board; Alvin J. Rockoff, president; Arthur Kramer, v.p. & controller; David w. Rockoff, secretary.

Directors: Daniel Rockoff, chairman; Alvin J. Rockoff, Arthur Kramer.

Business Activities: Operates convenience food stores.

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	31	1977	27
1979	33	1976	26
1978	33		

Sales and Earnings

	Net Sales +	Net Income‡
1979	$ 17,758,696	$ (94,624)
1978	14,972,404	111,864
1977	10,061,468	125,447
1976	8,361,853	89,996
1975	7,769,551	227,058

	No. of Com. Shares	Earn. per Share
1979	400,000	$ —
1978	400,000	0.28
1977	400,000	0.31
1976	400,000	0.22
1975	400,000	0.57

(Loss)
+ Includes operating revenues
‡ Including extraordinary gain of $74,500 ($0.19 per share) in 1975.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 555,296	$1.39
1978	649,920	1.62
1977	538,056	1.35
1976	412,609	1.03
1975	322,613	0.81

Income Account*

Year ended	3/25/79	3/26/78
Net sales	$ 17,758,696	$ 14,972,404
Cost of sales	14,001,816	11,590,055
Expenses	4,000,104	3,337,885
Gain on sale	(125,400)	—
Income (loss) before taxes	$ (117,824)	$ 44,464
Tax credit	(23,200)	(67,400)
Net Income (Loss)	$ (94,624)	$ 111,864

* Included in Costs and Expenses, Depreciation and Amortization: $186,955 in 1979 and $152,704 in 1978.

Assets

As of	3/25/79	3/26/78
Cash	$ 465,615	$ 465,883
Accts. receiv.	69,693	45,997
*Inventories	623,265	780,546
Prepaid expenses	121,681	111,037
Refundable income taxes	28,500	125,209
Prop. held for sale	31,500	
Note receiv.	37,500	
Current Assets	$ 1,377,754	$ 1,528,672
#Fixed assets	1,112,796	1,424,947
Note receiv.	187,500	—
Other assets	87,632	108,269
Total Assets	$ 2,765,682	$ 3,061,888

Liabilities

Long-term debt, curr.	$ 178,493	$ 133,956
Accts. payable	731,763	897,813
Accruals	517,549	434,203
Loans payable	—	11,500
Curr. Liabilities	$ 1,427,805	$ 1,477,472
Long-term debt	779,881	934,496
Deferred inc. taxes	2,700	—
+Common stock	4,000	4,000
Add. paid-in capital	355,593	355,593
Retained earnings	195,703	290,327
Total Liabilities & Shareholders' Equity	$ 2,765,682	$ 3,061,888

* At LIFO.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.30
%Net Income to Sales	—	0.75
%Net Income to Equity	—	17.21
Sales to Inventories	28.49	19.18
Working Capital	—	$ 51,200
Current Ratio	—	1.03
Shareholders' Equity	$ 555,296	$ 649,920

Hudson's Bay Company

Hudson's Bay House
77 Main Street
Winnipeg, Manitoba R3C2R1, Canada
(204) 943-0881

Board: G.R. Hunter, C.W. Evans, Donald O. Wood, I.A. Barclay, M. Bélanger, Eric Drake, Dawn R. McKeag, G.C. Hoyer Millar, George T. Richardson, A.J. MacIntosh, A.M. McGavin, D.S. McGiverin, M.W. Jacomb, W.D.C. Mackenzie, J.H. Moore, Josette D. Leman, The Rt. Hon. Lord Trend, P.W. Wood, G. Allan Burton, Kenneth R. Thomson, John A. Tory.

Business Activities: Operates large downtown department stores in major Canadian cities; medium-size department stores and northern stores which purchase raw furs; fur trading auction houses are found in London, Montreal and New York; wholesale distributor of blankets, spirits, tobacco, giftware and confectionery products. It also has real estate and natural resource interests.

Principal Subsidiaries:

Hudson's Bay Company Acceptance Limited
Purchases accounts receivable.

Hudson's Bay Company Developments Limited
Property owning company.

Hudson's Bay Company Properties Limited
Property owning company.

Hudson's Bay Company Properties (Quebec) Limited
Property owning company

Markborough Properties Limited
(99.9% owned)
Property development company

Markland Properties, Inc.
Property development company

Markborough California, Inc.
Property development company.

Markborough Texas, Inc.
Property development company.

Markborough Holdings Inc.
Property development companies.

Simpsons, Limited (88.3%)
Holding company

Simpsons Acceptance Company Limited
Purchase accounts receivable

Zeller's Limited (57.1% owned)
Operates department stores

Fields Stores Limited
Operates family clothing stores.

Marshall Wells Limited
Distributes hardware.

Hudson's Bay Company Fur Sales Incorporated
Fur brokers

Hudson's Bay and Annings Limited
(59% owned)
Fur brokers.

Principal Equity Investments:

Hudson's Bay Oil and Gas Company Limited
(18.4% interest)
Petroleum exploration and production.

The G.W. Robinson Company, Limited
(27% interest)
Operates department stores in Southwestern Ontario.

Eaton/Bay Financial Services Limited
(38.5% owned)
Markets financial services.

Simpsons-Sears Limited
Operates department stores and catalogue offices throughout Canada.

Acquisiton(s):

Simpsons Limited (July 31, 1979)
Operates department stores throughout Canada

Transfer Agent(s):

The Toval Trust Company
Calgary, Montreal, Toronto, Vancouver & Winnipeg

William & Glyn's Registrars Limited
London, England

Stock Exchange(s): Montreal, Toronto, London and Winnipeg.

Ticker Symbol: HBC

Number of Stores: (at fiscal year end)

1979	590*	1976	254
1978	300	1975	258
1977	250		

* Including Simpson & Zellers.

Sales and Earnings

	Sales & Revenues	Net Income +
1979	$3,435,209,000	$103,521,000
1978	1,896,302,000	143,012,000
1977	1,427,390,000	29,881,000
1976	1,346,448,000	24,810,000
1975	1,186,133,000	22,004,000

	No. of Com. Shares	Earn. per Share‡ +
1979	23,712,529	$3.98
1978	23,091,608	8.79
1977	14,154,768	2.12
1976	14,095,593	1.77
1975	13,984,983	1.58

+ Including extraordinary gains of $23,175,000 ($1.00 per share) in 1979 and $98,367,000 ($6.05 per share) in 1978.
† Based on the weighted average number of shares outstanding.

Revenues by Line of Business

	1979	1978
Retail	$2,847,927,000	$1,432,712,000
Wholesale	408,434,000	356,967,000
Fur	66,302,000	42,568,000
Real estate	96,263,000	48,712,000
Natural resources	16,283,000	15,343,000
Total	$3,435,209,000	$1,896,302,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.10	—	—
1978	0.91	—	—
1977	0.65	—	—
1976	0.60	—	—
1975	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$678,344,000‡	$28.59
1978	595,795,000‡	25.80
1977	275,964,000	19.50
1976	254,422,000	18.05
1975	236,342,000	16.90

‡ After allowing for preferred stock at stated value.

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales & revenues	$ 3,435,209	$ 1,896,302
Cost of sales & exp.	3,179,626	1,768,138
Interest expense	113,741	47,868
Income before taxes	$ 141,842	$ 80,296
Income taxes	52,073	29,757
Minority interest	9,423	5,894
Net Income	$ 80,346	$ 44,645
Extraord. gain	23,175	98,367
Net Income & extraord. gain	$ 103,521	$ 143,012

* Included in Costs and Expenses, Depreciation and Amortization: $43,378,000 in 1980 and $22,804,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 11,202	$ 6,478
Marketable securities	3,679	4,740
Accts. receiv., net	645,942	594,623
Recov. inc. taxes	3,807	—
*Inventories	592,241	553,231
Prepaid expenses	13,378	15,841
Current Assets	$ 1,270,249	$ 1,174,913
Investments	443,536	396,796
Secured receiv.	33,005	26,001
#Fixed assets	669,076	575,768
Land for sale & devel.	163,186	125,392
Defer. charges	12,412	10,385
Intangibles	60,129	61,541
Total Assets	$ 2,651,593	$ 2,370,796

Liabilities
(000's)

Notes payable	$ 147,564	$ 107,348
Bank indebtedness	251,272	189,606
Long-term debt, curr	29,768	39,779
Accts. payable & accruals	323,390	344,553
Income taxes	—	14,062
Curr. Liabilities	$ 751,994	$ 695,348
Long-term debt	918,559	792,325
Minority interest	49,598	58,505
Pensions	34,659	37,557
Deferred inc. taxes	64,118	54,937
+ Preferred stock	154,321	136,329
+ Common stock	249,701	237,554
Add. paid-in capital	3,228	—
Retained earnings	425,415	358,241
Total Liabilities & Shareholders' Equity	$ 2,651,593	$ 2,370,796

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	4.13	4.23
%Net Income to Sales & Revenues	2.34	2.35
%Net Income to Equity	9.65	6.10
Working Capital	$518,255,000	$479,565,000
Current Ratio	1.69	1.69
Shareholders' Equity	$832,665,000	$732,124,000

IC Industries, Inc.

One Illinois Center
111 East Wacker Drive
Chicago, Illinois 60601
(312) 565-3000

Officers: William B. Johnson, chairman & chief executive officer; Robert F. Schnoes, president & chief operating officer; Robert F. Stewart, sr. v.p.-corp. planning & development; N. George Belury, group v.p.-commercial products; Robert S. Kirby, v.p., general counsel & secretary; John P. Fagan, v.p.-finance & treasurer; Granger F. Kenly, v.p.-corporate & investor relations; Ronald A. Wright, v.p.-human resources; Sam R. Watkins, v.p.-government affairs, Washington D.C.; Frank T. Westover, v.p.-controller.

Directors: William B. Johnson, chairman of the board; Robert F. Schnoes, N. George Belury, Ralph E. Bailey, G. Keith Funston, Albert P. Gagnebin, John P. Gallagher, C. Jackson Grayson, Jr., Walter H. Helmerick, III, Graham J. Morgan, George V. Myers, William L. Naumann, Frank A. Nemec, George T. Scharffenberger, Boyd F. Schenk, Jerome W. Van Gorkom.

IC Commercial Products
Abex Corporation

The four product groups of Abex serve such basic industries as steel, mining, automotive, railroad, aerospace, defense, petro-chemical and general manufacturing.

IC Consumer Products
Pet Incorporated

Pet is a diversified food products company whose best known brands include Whitman's confections, Musselman fruit products, Old El Paso Mexican foods, Pet-Ritz and Downyflake frozen foods, Pet dairy products and Laura Scudder's snack foods.

Operates company owned and franchised roadside convenience stores under the name Stuckey's and operates one-stop party centers selling wines, liquors, and snacks under the names "Vendome" and "9-0-5". Vendome operates stores in Southern California and 9-0-5 operates stores in Missouri and Illinois. Also operates a chain of frozen food storage warehouses in various areas of the continental United States.

Midas International Corporation
Operates 1,243 Midas Muffler Shops worldwide The vehicle group conducts sales of commercial vehicles, including delivery and service vans and Black Diamond over-the-road trailers, and conversions of vans and light trucks.

Pepsi-Cola General Bottlers, Inc., Dad's Root Beer Company & Bubble Up Company
Bottlers and distributors of Pepsi-Cola, Dads Root Beer, Bubble Up and other soft drinks.

Other

Illinois Center Corp.
La Salle properties, Inc.
Philipsborn Equities, Inc.
South Properties, Inc.
IC Leasing, Inc.

IC Railroad Activities

Illinois Central Gulf Railroad
Chicago & Illinois Western Railroad

Transfer Agent(s):

The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60675

Stock Exchange(s): New York Midwest, Pacific, London, Amsterdam

Ticker Symbol: ICX

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1979	$ 3,734,600	$ 173,700
1978	2,670,462	97,100
1977	1,831,962	79,416
1976	1,649,500	61,201
1975	1,474,544	47,899

	No. of Com. Shares	Earn. per Share†
1979	15,863,984	$9.52
1978	15,638,326	5.23
1977	15,675,217	4.31
1976	13,036,877	3.35

† Based on weighted average number of common shares and common share equivalents outstanding after deducting preferred dividends.

Revenues by Line of Business
(000's)

	1979	1978
Commercial products	$ 908,200	$ 743,300
Consumer products	1,937,100	1,108,700
Transportation	879,400	785,600
Other	9,900	32,900
Total	$ 3,734,600	$ 2,670,500

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.80	—	—
1978	1.64	—	—
1977	1.49	—	—
1976	1.35	—	—
1975	1.30	—	—

Common Stock Equity

	Total Equity†	Equity Per Share ×
1979	$1,002,700,000	$63.21
1978	879,000,000	56.21

† After allowing for preferred stock at liquidating value.
× Based on weighted average number of common shares and common share equivalents outstanding after deducting preferred dividends.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales and revenues	$ 3,734,600	$ 2,670,500
Cost and expenses:		
Commercial prods.	1,831,600	1,024,700
Consumer prods.	822,800	666,900
Railroad activities	855,200	759,600
Other charges	45,900	66,100
Income before taxes	$ 179,100	$ 153,200
Income taxes	71,700	61,600
Income from continuing operations	$ 107,400	$ 91,600
Income (loss) from discont. oper.	(1,100)	5,500
Cum. effect of acctng. charge	67,400	—
Net Income	$ 173,700	$ 97,100

* Included in Costs and Expenses. Depreciation and Amortization: $123,300,000 in 1979 and $98,619,000 in 1978.

Assets
(000's)

As of December 31	1979	1978
Cash and equivalents	$ 38,300	$ 6,000
Accts. receiv., net	530,700	450,000
*Inventories	581,800	514,100
Transportation	42,100	49,000
Other	55,000	38,400
Current Assets	$ 1,247,900	$ 1,057,500
Investments	110,400	114,100
Assets of oper. to be discont.	16,300	93,200
#Fixed assets	2,068,900	1,774,800
Other assets	80,900	78,000
Goodwill	93,400	84,400
Total Assets	$ 3,617,800	$ 3,202,000

Liabilities
(000's)

	1979	1978
Notes payable	$ 131,800	$ 104,100
Long-term debt, curr.	48,300	52,200
Accts., wages and dividends payable	361,500	270,800
Inc. taxes pay.	9,900	11,700
Accruals	113,208	85,900
Accrued payroll	78,900	71,400
Taxes	29,000	28,000
Curr. Liabilities	$ 772,600	$ 624,100
Long-term debt	1,146,100	1,144,900
Deferred income taxes	273,800	162,100
Other liab.	65,200	64,200
Preferred stock:		
I.C.G. Redeemable	53,300	23,600
+First preferred	100,000	100,000
+Second preferred	91,100	91,100
+Common stock	250,100	248,300
Retained earnings	866,300	745,400
Treasury stock	(700)	(1,700)
Total Liabilities & Shareholders' Equity	$ 3,617,800	$ 3,202,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1979	1978
%Net Income to Equity	12.77	8.05
Working Capital	$475,300,000	$433,400,000
Current Ratio	1.62	1.69
Shareholders' Equity	$1,360,100,000	$1,206,700,000

Imasco Limited

4 Westmount Square
Montreal, Quebec, Canada H3Z 2S8
(514) 937-9111

Officers: Paul Pare, chairman of the board & chief executive officer; L. Edmond Ricard, president & chief operating officer; George G. Ross, Norman A. Dann, Robert T. Ruggles, Bernard W. Matte, vice presidents; William J. Harris, v.p.-administration; Roderick C. Foster, v.p. & comptroller; Roger S. Ackman, v.p. & gen. counsel; Paul K. Ryan, v.p. & secretary; Matthews Glezos, v.p. & treasurer; John N. Economides, asst. treasurer; G. Michael Martin, asst. comptroller; Rita Tahhan, asst. secretary.

Directors: Paul Pare*, L. Edmond Ricard*, George G. Ross*, Jean H. Richer, John H. Coleman, Purdy Crawford*, Robert T. Ruggles, Yves Hudon, Anthony I. Kalhok, Peter Kilburn, Jean-Louis Mercier, Murray B. Koffler.

* Member of Executive Committee.

Business Activities: Manufactures and distributes tobacco products. Operates retail outlets selling prescription drugs, health and beauty aids, sporting goods, cigars and cigarettes. Also engaged in food processing and production. United Cigar Stores operates a chain of 390 tobacco and gift shops across Canada. Tobacco retailing operations in the United States are carried out through The Tinder Box International Ltd., a chain of 173 stores specializing in pipes and tobacco products. Operates a chain of 365 franchised and company owned drug stores operating in Canada and the United States under the names of Shoppers Drug Mart, Top Drug Mart and Pharmaprix; 84 dry cleaning outlets under the name Embassy Cleaners. Sporting goods retailing activities are carried on by Collegiate/Arlington Sports, comprising 25 stores in major Canadian cities.

Divisions & Subsidiaries:

Imasco Associated Products Limited

The UCS Group Limited
Toronto, Ontario, Canada

Top Drug Mart Limited
Toronto, Ontario, Canada

Collegiate/Arlington Sports
Toronto, Ontario, Canada

The Tinder Box International, Ltd.
Santa Monica, California

Koffler Stores Limited
Toronto, Ontario, Canada

Imperial Tobacco Limited
Montreal, Quebec, Canada

General Cigar Company Limited
Montreal, Quebec, Canada

Imperial Leaf Tobacco Company of Canada Limited
Aylmer, Ontario, Canada

Imasco Food Division

Imasco Foods Limited
Montreal, Quebec, Canada

Unico Foods Limited
Toronto, Ontario, Canada

Grissol Foods Limited
Montreal, Quebec, Canada

Imasco Investments, Inc.
Rochelle Park, New Jersey

Transfer Agent(s):

Montreal Trust Company
Halifax, Nova Scotia, Canada
Toronto, Ontario, Canada
Vancouver, British Columbia, Canada
Calgary, Alberta, Canada
Winnipeg, Manitoba, Canada
Regina, Saskatchewan, Canada

Stock Exchange(s): Montreal Toronto, Vancouver, London, England

Ticker Symbol: IMS

Number of Stores:* (at fiscal year end)

1980	1,100	1977	601
1979	1,034	1976	569
1978	605		

* Includes franchise operations.

Sales and Earnings ‡

	Net Sales # (000's)	Net Income ‡‡ (000's)
1980	$ 1,150,538	$ 68,228
1979	1,161,526	57,721
1978	1,049,421	40,734
1977	1,031,642	35,215
1976	941,223	34,564

	No. of Com. Shares	Earn. per Share ‡‡
1980	10,351,537	$6.61
1979	10,041,716	5.77
1978	9,670,532	4.18
1977	9,670,532	3.61
1976	9,670,532	3.54

‡ In Canadian dollars.
# Includes sales and excise tax.
‡‡ Includes extraordinary losses of $2,344,000 ($0.24 per share) in 1978, $1,952,000 ($0.20 per share) in 1976, and extraordinary gains of $1,314,000 ($0.13 per share) in 1979 and $294,000 ($0.03 per share) in 1977.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.00	–	–
1979	1.64	–	–
1978	1.44	–	–
1977	1.35	–	–
1976	1.30	–	–

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$338,505,000	$32.70
1979	280,491,000	27.93
1978	227,076,000	23.48
1977	200,611,000	20.74
1976	180,255,000	18.64

‡ After allowing for preferred shares at stated value.

Income Account
(000's)

Year ended Mar. 31	1980	1979
Net sales	$ 1,150,538	$ 1,161,526
Sales & excise taxes	396,934	363,180
Oper. costs	633,135	689,849
Oper. profit	$ 120,469	$ 108,497
Interest expense	13,308	11,339
Equity in inc. of assos. cos.	(4,554)	(407)
Income before taxes	$ 111,715	$ 97,565
Income taxes	43,125	40,455
Minority interest	362	703
Net Income	$ 68,228	$ 56,407
Extraord. gain	–	1,314
Net Income & extraord. gain	$ 68,228	$ 57,721

Assets
(000's)

As of Mar. 31	1980	1979
Cash & term deposits	$ 16,446	$ 12,532
Accts. & notes receiv., net	59,193	89,003
*Inventories	326,276	282,215
Prepaid expenses	3,677	2,653
Current Assets	$ 405,592	$ 386,403
Investments & notes receiv.	105,725	79,106
#Fixed assets	116,955	93,826
Defer. charges	10,547	8,186
Intangibles	38,438	39,556
Total Assets	$ 677,257	$ 607,077

Liabilities
(000's)

Bank indebtedness	$ 117,944	$ 92,925
Long-term debt, curr.	2,703	2,930
Accts. payable & accruals	59,290	67,739
Income & other taxes	37,540	28,922
Curr. Liabilities	$ 217,477	$ 192,516
Long-term debt	96,921	99,967
Minority interest	553	891
Deferred inc. taxes	18,001	15,729
6% preference stock	5,800	5,800
Series A preference stock	–	11,683
+Common stock	72,188	61,344
Retained earnings	266,317	219,147
Total Liabilities & Shareholders' Equity	$ 677,257	$ 607,077

* At lower of cost or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.71	8.40
%Net Income to Sales	5.93	4.86
%Net Income to Equity	19.82	18.93
Sales to Inventories	3.53	4.12
Working Capital	$188,115,000	$193,887,000
Current Ratio	1.86	2.01
Shareholders' Equity	$344,305,000	$297,974,000

INTERCO INCORPORATED

Ten Broadway
St. Louis, Missouri 63102
(314) 231-1100

Mailing address:

P.O. Box 8777
St. Louis, Missouri 63102

Officers: William L. Edwards, Jr., chairman of the board & chief executive officer; Maurice R. Chambers, chairman of the exec. committee; John K. Riedy, president & chief operating officer; Stanley M. Cohen, Gerald B. Hirsch, Nathan S. Ancell, Jonathan P. Myers, J. Carl Powers, Charles J. Rothschild, Jr., Harvey Saligman, vice presidents; Ronald L. Aylward, v.p. & general counsel; Duane A. Patterson, secretary; Robert T. Hensley, Jr., treasurer; Stanley F. Huck, controller; Keith E. Mattern, James K. Pendleton, asst. secretaries; William R. Withrow, asst. treasurer; Russell L. Baumann, Wilfred G. Morice, asst. controllers.

Directors: Nathan S. Ancell, Ronald L. Aylward*, Maurice R. Chambers*, Zane E. Barnes, Thomas H. O'Leary, Jonathan P. Myers, Charles J. Rothschild, Jr., Harvey Saligman, Norfleet H. Rand*, Stanley M. Cohen, John K. Riedy*, Edwin S. Jones, Donald E. Lasater, William L. Edwards, Jr.*

* Member of Executive Committee.

Operating Groups:

Apparel Manufacturing Group

Designs, manufactures and distributes a full range of popular-priced branded and private-label sportswear, casual apparel and outer garments for men and women. Sportswear and casual apparel is produced in 62 apparel manufacturing plants and shipped to customers from 13 major distribution centers. The principal products for men include: woven and knit slacks, knit shirts - both sport and dress, sport coats, three piece vested casual sport suits, rainwear, golf jackets, heavy outer garments, carcoats, stadium coats, sweaters, jeans, western wear, outerwear, headwear swimwear and walk shorts. For women: sweaters, slacks, skirts, vests, jackets, shirts, jeans, suits, dresses, pants, blouses, T-shirts, jumpers, culottes, blazers, rainwear, golf jackets, heavy outer garments, headwear, carcoats and stadium coats.

Big Yank Corporation
350 Fifth Avenue
New York, New York 10001
(212) 736-9393

Cowden Manufacturing Company
300 New Circle Road N.W.
Lexington, Kentucky 40501
(606) 254-6627

Campus Sweater & Sportswear Company
Mack Centre Drive
Paramus, New Jersey 07652
(201) 262-9100

The Biltwell Company, Inc.
1128 Washington
St. Louis, Missouri 63103
(314) 231-3850

Devon Apparel
3300 Frankford Avenue
Philadelphia, Pennsylvania 19134
(215) 739-2000

Sidney Gould Co., Ltd.
P.O. Box 329
Garden City Park, New York 11040
(516) 294-6900

College-Town
College-Town Drive
Braintree, Massachusetts 02184
(617) 848-1200

International Hat Company
St. Louis, Missouri

Queen Casuals, Inc.
10175 Northeast Avenue
Philadelphia, Pennsylvania 19116
(215) 677-3000

Londontown Corporation
London Town Road
Eldersburg, Maryland 21784
(301) 795-5900

Stuffed Shirt/Stuffed Jeans, Inc.
1407 Broadway
New York, New York

General Retail Merchandising Group -

Operates 856 junior department stores, discount stores, men's and women's specialty apparel shops and supermarket-type hardware, lumber and building materials stores. The principal regional trading names include Alberts, Albert K, Alcove, Central Hardware, Carithers, Eagle Family Discount Stores, Fine's Men's Shops, Golde's, Hirsch Value Centers, Sky City Discount Centers, Keith O'Brien, Kent's, Jeans Galore, Miller's, P.N. Hirsch, Shainberg's, Standard Sportswear, Idaho Department Stores, Thornton's, United Shirt and Wigwam.

Alberts, Inc.
Detroit, Michigan
(313) 548-8511

P.N. Hirsch & Company
2001 Walton Road
St. Louis, Missouri 63114
(315) 429-2154

Eagle Family Discount Stores, Inc.
Miami, Florida 33054

Central Hardware Company
St. Louis, Missouri

INTERCO INCORPORATED

Fine's Men's Shops, Inc.
1164 Azalea Garden Road
P.O. Box 749
Norfolk, Virginia 23501
(703 857-6013

Standard Sportswear
Pittsburgh, Pennsylvania

Sky City Stores, Inc.
Asheville, North Carolina

Golde's Department Stores, Inc.
9957 Manchester Road
St. Louis, Missouri 63122
(314) 968-2900

United Shirt Distributors, Inc.
1927 Michigan Avenue
Detroit, Michigan 48216
(313) 962-9895

Footwear Manufacturing and Retailing Group

Styles, manufactures and distributes primarily men's footwear in most major price categories in the United States and Canada, and manufactures and wholesales men's footwear in Australia. Facilities include 22 shoe manufacturing plants and 4 major distribution centers. The company also operates 874 retail shoe stores and leased shoe departments in the United States, Canada, Mexico and Australia. Major footwear retail trading names include: Florsheim Shoe Shops for men, Florsheim Thayer McNeil Men's and Womens Shops, Duane's, Phelp's, Thayer McNeil Shoe Shops, and Thompson, Boland & Lee. Major footwear brands for men include: Ambassador, City Club, Florsheim, Florsheim Imperial, Royal Imperial by Florsheim, Hy-Test, Idlers by Florsheim, Julius Marlow, Rand, Roberts, Winthrop, Patriot Weeds from Florsheim, Grizzlies, Worthmore; for women: Crawdads, diVina, patriot, Miss Wonderful, Personality, Thayer McNeil, Florsheim, Vitality.

The Florsheim Shoe Company
Canal, Adams & Clinton Street
Chicago, Illinois 60606
(312) 329-7500

International Shoe Company
1509 Washington Avenue
St. Louis, Missouri 63166
(314) 342-7000

Senack Shoes, Inc.
1248 Andes Boulevard
St. Louis, Missouri 63132
(314) 997-0330

Furniture and Home Furnishings Group

Manufactures and distributes quality furniture and home furnishings under the nam of Ethan Allen, Kling and Restocrat. There are 24 factories and ten distribution centers and consolidated warehouses located throughout the United States. Major retail trading names include: Carriage House, Georgetown Manor, Manor House and Georgetown.

Ethan Allen Inc.
Danbury, Connecticut

Acquisition(s):

Ethan Allen (January 28,1980)
Danbury, Connecticut

A home furnishings manufacturer and marketer, which oprates 24 factories, five consolidation warehouses and five regional distribution centers.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Mercantile Trust Company National Association
St. Louis, Missouri

Stock Exchange(s): New York, Midwest

Ticker Symbol: ISS

Number of Stores: (at fiscal year end)

	Retail Shoe Stores & Depts.	Other Stores
1980	874	856
1979	844	821
1978	865	732
1977	894	710
1976	867	655

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,024,307	$ 106,706
1979	1,851,458	92,576
1978	1,666,657	81,834
1977	1,566,432	76,270
1976	1,424,252	68,573

	No. of Com. Shares +	Earn. per Share +
1980	14,527,000	$ 7.35
1979	14,535,000	6.37
1978	14,365,000	5.70
1977	14,324,000	5.32
1976	14,268,000	4.81

+ Based on the average number of common shares and common share equivalents outstanding fully diluted.

Revenues by Line of Business
(000's)

	1980	1979
Apparel	$ 818,380	$ 731,259
General retail	630,309	582,441
Footwear	554,955	537,758
Furniture	20,663	—
Total	$ 2,024,307	$ 1,851,458

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.35	—	—
1979	2.10	—	—
1978	1.85	—	—
1977	1.625	—	—
1976	1.475	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$739,075,000	$50.88
1979	684,164,000	47.07
1978	621,512,000	43.27
1977	551,565,000 +	38.51

+ After allowing for preferred shares at stated and liquidating value.
‡ Based on the average number of common shares and common share equivalents outstanding fully diluted.

Income Account*
(000's)

Year ended Feb. 28	1980	1979
Net sales	$ 2,024,307	$ 1,851,458
Other income	23,960	19,503
Total income	$ 2,048,267	$ 1,870,961
Cost of sales	1,379,768	1,266,618
Expenses	453,448	407,904
Interest expense	9,316	9,570
Income before taxes	$ 205,735	$ 186,869
Income taxes	99,029	94,293
Net Income	$ 106,706	$ 92,576

* Included in Costs and Expenses, Depreciation: $24,390,000 in 1980 and $21,850,000 in 1979.

Assets
(000's)

As of Feb. 28	1980	1979
Cash	$ 6,561	$ 7,116
Marketable securities	53,011	61,046
Accts. receiv., net	243,743	216,546
*Inventories	529,058	439,959
Prepaid expenses & other current assets	20,817	9,880
Current Assets	$ 853,190	$ 734,547
Marketable invest. secur.	37,707	37,509
# Fixed assets	309,636	207,641
Other assets	38,503	23,378
Total Assets	$ 1,239,036	$ 1,003,075

Liabilities
(000's)

	1980	1979
Long-term debt, curr.	$ 6,335	$ 4,024
Cap. lease oblig., curr.	5,501	3,602
Accts. payable & accruals	194,779	157,244
Income taxes	39,742	31,799
Curr. Liabilities	$ 246,357	$ 196,669
Long-term debt	60,225	41,236
Cap. lease oblig.	80,718	68,146
Other long-term liabilities	15,423	12,860
+ Preferred stock	97,238	—
+ + Common stock	109,131	109,041
Add. paid-in capital	47,441	55,709
Retained earnings	597,764	525,201
Treasury stock	(15,261)	(5,787)
Total Liabilities & Shareholders' Equity	$ 1,239,036	$ 1,003,075

* At lower of cost (FIFO) or market except footwear at LIFO.
# Less accumulated depreciation.
+ No par value; $100 stated value.
+ + $7.50 stated value.

Statistical Summary

%Income bef. Taxes to Sales	10.16	10.09
%Net Income to Sales	5.27	5.00
%Net Income to Equity	12.76	13.53
Sales to Inventories	3.83	4.21
Working Capital	$606,833,000	$537,878,000
Current Ratio	3.46	3.73
Shareholders' Equity	$836,313,000	$684,164,000

IPCO Hospital Supply Corporation

1025 Westchester Avenue
White Plains, New York 10604
(914) 682-4500

Officers: Robert S. Savin, chairman of the board, president & chief exec. officer; George H. Milne, v.p. & treasurer; Bernard Weissman, Edward D. Collins, Sidney Weinrib, Martin King, v.p.'s; Charles V. Linfante, v.p. & controller; Howard M. Landa, v.p. & secretary.

Directors: Robert S. Savin, chairman; Walter J. Brotherton, I.W. Burnham II, Max M. Low, Robert K. Low, Howard A. Rusk, Irving Squires, Herbert L. Rosedale, Howard M. Landa.

Business Activities: Manufactures and distributes health care and related products; these include hospital and laboratory supplies and equipment, and products used in restorative dentistry for sale to dental laboratories and to dentists. The company also collects and processes blood and is engaged in the retail sale of career apparel, and operates retail centers which sell eyeglasses, contact lenses and other optical equipment.

Divisions & Subsidiaries:

Medical Operations
Distribution

IPCO Hospital Supply/Standard Scientific Division
30 Turner Place
Piscataway, New Jersey 08854
(201) 968-7700
Sells and services virtually every non-pharmaceutical hospital type products.

Community Blood & Plasma Service Division
1618 Third Avenue North
Birmingham, Alabama 35203
(205) 251-5179
Operates blood donor centers.

Medical Electron - ICS Division
1025 Westchester Avenue
White Plains, New York
(914) 682-4500

Manufacturing

Whitestone Products Division
40 Turner Place
Piscataway, New Jersey 08854
(201) 752-2700
Manufactures non-woven and a variety of paper disposable products.

XRC, Inc.
123 West 23rd Street
Hialeah, Florida 33010
(305) 883-8286
Develops and manufactures X-ray equipment.

Cheshire Laboratories
30 Turner Place
Piscataway, New Jersey 08854
(201) 968-7700
Manufactures and sells a line of proprietary health-care products.

Retail

Uniforms by Gilson Division
2710 Hempstead Turnpike
Levittown, New York 11756
(516) 735-2600
Operates a chain of retail stores concentrated in the Greater New York Area.

Dental Operations

Distribution

Nobilium
125 North Wabash Avenue
Chicago, Illinois 60602
(312) 726-2345
Distribution of dental products and services.

Robert H. Sittig Associates, Inc.
236 Fifth Avenue
New York, New York 10001
(212) 481-6370
Overseas representative of American-made dental products.

Retail

Dental Prosthetics Division
1025 Westchester Avenue
White Plains, New York 10604
(914) 682-4500
Operates individual dental laboratories in the United States and Canada.

Optical Operations

Retail

Sterling Optical
1 Huntington Quadrangle
Suite 2N12
Huntington Station, New York 11746
(516) 694-7744
Operates a chain of retail optical centers in the U.S. and Canada.

Transfer Agent(s):

Marine Midland Bank of New York
2 Broadway
New York, New York 10004

Stock Exchange(s): New York, Pacific

Ticker Symbol: IHS

Number of Retail Centers (at fiscal year end)

	Optical	Dental	Apparel
1979	101	24	22
1978	90	23	22
1977	87	26	24
1976	69	26	25
1975	52	23	26

Sales and Earnings

	Net Sales +	Net Income
1979	$154,678,000	$ 1,686,000
1978	140,748,000	11,687,000
1977	130,572,000	2,662,000
1976	119,094,000	3,091,000
1975	111,359,000	1,305,000

	No. of Com. Shares	Earn. per Share ‡
1979	5,342,376	$0.32
1978	5,337,376	2.19
1977	5,265,376	0.51
1976	5,260,176	0.59
1975	5,260,176	0.25

+ Of continuing operations only.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979	1978
Medical	$ 87,903,000	$ 81,210,000
Dental	35,486,000	32,685,000
Optical	31,289,000	26,853,000
Total	$154,678,000	$140,748,000

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 53,334,000	$9.98
1978	52,709,000	9.88
1977	41,320,000	7.85
1976	38,897,000	7.39
1975	35,806,000	6.81

Income Account *

Year ended June 30	1979	1978
Net sales	$154,678,000	$140,748,000
Cost of sales	101,256,000	94,481,000
Expenses	51,251,000	47,215,000
Other income	(1,896,000)	(1,252,000)
Interest expense	1,851,000	2,088,000
Income (loss) before taxes	$ 2,216,000	$ (1,784,000)
Income taxes (credit)	486,000	(928,000)
Income (loss) from cont. oper.	$ 1,730,000	$ (856,000)
Income (loss) from discont. oper.	(44,000)	12,543,000
Net Income	$ 1,686,000	$ 11,687,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,392,000 in 1979 and $2,115,000 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 2,170,000	$ 5,133,000
Cert. of deposit	10,471,000	450,000
Accts. receiv., net	22,651,000	20,235,000
Notes receiv.	310,000	17,768,000
* Inventories	29,690,000	23,352,000
Prepaid expenses	1,067,000	776,000
Current Assets	$ 66,359,000	$ 67,714,000
# Fixed Assets	21,919,000	20,642,000
Other assets	266,000	395,000
Defer. charges	1,065,000	1,100,000
Intangibles	7,068,000	6,813,000
Total Assets	$ 96,677,000	$ 96,664,000

Liabilities

	1979	1978
Long-term debt, curr.	$ 2,046,000	$ 548,000
Accts. payable	10,514,000	7,603,000
Accruals	4,651,000	4,703,000
Dividends payable	158,000	160,000
Income taxes	3,292,000	639,000
Other taxes	1,507,000	1,025,000
Curr. Liabilities	$ 22,168,000	$ 14,678,000
Long-term debt	19,845,000	21,544,000
Deferred inc. taxes	748,000	6,864,000
Other liabilities	582,000	869,000
+ + Common stock	5,342,000	5,337,000
Add. paid-in capital	11,834,000	11,818,000
Retained earnings	36,605,000	35,554,000
Treasury stock	(447,000)	—
Total Liabilities & Shareholders' Equity	$ 96,677,000	$ 96,664,000

‡ Restated to conform to 1978 presentation.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ + $1 par value.

Statistical Summary

	1979	1978
%Net Income to Equity	3.16	22.17
Sales to Inventories	5.21	6.03
Working Capital	$ 44,191,000	$ 53,036,000
Current Ratio	2.99	4.61
Shareholders' Equity	$ 53,334,000	$ 52,709,000

J. B. Ivey & Company

P.O. Box 30600
127 North Tryon Street
Charlotte, North Carolina 28230
(704) 372-3511

Officers: George M. Ivey, Jr., chairman of the board; John T. Fielder, president; Ervin Jackson, Jr., Maloy R. Rash, Jr., James H. Shaw, Stanley Zweck-Bronner, sr. v.p.'s; Alec C. Felder, v.p.-mgmt. info. systems; Robert E. King, secretary & treasurer; Roland E. Washburn, asst. v.p.-data processing services.

Directors: George M. Ivey, Jr., Ervin Jackson, Jr., Maurice D. Alpert, John T. Fielder, J. Carlton Fleming, Donald R. Gant, Carl Horn, Jr., James H. Shaw, Stanley Zweck-Bronner.

Business Activities: Operates a group of department stores in the Carolinas and Florida.

Store Groups:

Carolina Group
Tryon and Fifth Streets
Charlotte, North Carolina
(704) 372-3511

Florida Group
Winter Park Mall
Winter Park, Florida
(305) 644-8511

J.B. Ivey & Company

Transfer Agent(s):

North Carolina National Bank
Corporate Trust Department
Charlotte, North Carolina

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IVEY (NASDAQ)

Number of Stores: (at fiscal year end)

1980	23	1977	20
1979	21	1976	20
1978	20		

Sales and Earnings

	Net Sales‡	Net Income
1980	$147,363,000	$ 3,478,000
1979	122,734,000	2,780,000
1978*	110,291,000	1,710,000
1977	99,655,000	1,047,000
1976	90,208,000	1,288,000

	No. of Com. Shares #	Earn. per Share #
1980	1,083,396	$3.21
1979	1,082,710	2.57
1978*	1,083,573	1.58
1977	1,080,908	0.97
1976	1,082,018	1.19

* 53 weeks.
‡ Includes leased departments.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.76	–	–
1979	0.68	–	–
1978	0.52	–	–
1977	0.52	–	–
1976	0.52	–	–

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 29,165,000	$26.92
1979	26,489,000	24.47
1978	24,405,000	22.52
1977	23,215,000	21.48
1976	22,691,000	20.97

‡ Based on the average number of shares outstanding.

Income Account
(000's)

Year ended	2/2/80	2/3/79
Net sales	$ 147,363	$ 122,734
Cost of sales	86,178	71,942
Expenses	41,294	34,807
Depreciation & amortization	3,038	2,532
Rentals of prop.	2,521	2,043
Interest expense	5,956	4,285
Misc. taxes	2,838	2,561
Income before taxes	$ 5,538	$ 4,564
Income taxes	2,060	1,784
Net Income	$ 3,478	$ 2,780

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 5,018	$ 3,924
Accts. receiv., net	30,111	23,738
*Inventories	27,515	21,267
Prepaid expenses	1,121	774
Current Assets	$ 63,765	$ 49,703
#Fixed assets	47,660	42,922
Other assets	1,94	1,166
Total Assets	$ 113,409	$ 93,791

Liabilities
(000's)

Long-term debt, curr.	$ 1,148	$ 1,421
Accts. payable	14,922	10,717
Deferred inc. taxes	3,852	2,809
Curr. Liabilities	$ 19,922	$ 14,947
Long-term debt	57,340	46,753
Deferred inc. taxes	6,425	5,504
Other deferred credits	557	98
+Common stock	2,746	2,746
Add. paid-in capital	4,841	4,841
Retained earnings	21,737	19,083
Treasury stock	(119)	(119)
Deferred compens.	(40)	(62)
Total Liabilities & Shareholders' Equity	$ 113,409	$ 93,791

* Using the retail inventory method on the LIFO basis.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.76	3.72
%Net Income to Sales	2.36	2.27
%Net Income to Equity	11.93	10.49
Working Capital	$ 43,843,000	$ 34,756,000
Current Ratio	3.20	3.33
Shareholders' Equity	$ 29,165,000	$ 26,489,000

Jack Eckerd Corporation

2120 U.S. Highway 19, South
P.O. Box 4689
Clearwater, Florida 33518
(813) 531-8911

Officers: Stewart Turley, chairman of the board & president; Thomas E. Nave, sr. vice president-finance & administration; Roger Schwab, v.p.-investor relations; Michael Zagorac, Jr., vice president-public affairs; David M. Baker, treasurer; Jackie E. Post, secretary; Richard W. Roberson, controller; James M. Santo, vice president-corp. counsel.

Directors: Stewart Turley*, James M. Roche*, Jack Eckerd*, Jere W. Thompson, Norman Stallings*, Kenneth F. Finger, Thomas E. Nave, Edward M. O'Herron, Jr.

* Member of the Executive Committee.

Business Activities: Operates a chain of Eckerd Drug Stores, a chain of J Byrons Department Stores, a chain of casual-wear shops for young adults under the name Junction Shops, and a chain of Eckerd Optical Centers. The drug stores are located in Texas, Florida, Louisiana, Mississippi, Georgia, Delaware, Alabama, North Carolina, South Carolina, Tennessee, Virginia, Pennsylvania, New Jersey, Maryland and Oklahoma and sell prescription and proprietary drugs, cosmetics, toiletries, cameras, film and household appliances. The department stores are located in Florida and sell apparel, health and beauty aids and household goods. The optical centers are located in Florida, North Carolina, Mississippi, Tennessee, Georgia and Louisiana.

Divisions & Subsidiaries:

JByrons Department Store Division
15600 N.W. 15th Avenue
P.O. Box 3620, Norland Branch
Miami, Florida 33169
(305) 625-2681
Operates 33 junior department stores in Florida.

Eckerd's Apparel, Inc.
Charlotte, North Carolina
Operates 56 casual-wear shops for young adults in the Carolinas, Georgia, Alabama, Tennessee, Mississippi and Virginia.

Transfer Agent(s):

Bradford Trust Company
New York, New York
Miami, Florida

Stock Exchange(s): New York

Ticker Symbol: ECK

Number of Stores: (at fiscal year end)

	Drug Stores	Optical Centers
1979	957	155
1978	869	152
1977	796	124
1976	738	79
1975	670	54

	Dept. Stores	Apparel Shops
1979	36	80
1978	33	56
1977	32	36
1976	29	38
1975	26	32

Sales and Earnings

	Net Sales ‡	Net Income
1979	$1,325,140,043	$ 59,302,773
1978	1,131,444,677	50,632,702
1977	980,102,145	46,030,917
1976	870,969,778	39,803,810
1975	754,053,968	31,210,537

	No. of Com. Shares	Earn. per Share +
1979	$ 23,605,774	$2.53
1978	23,306,844	2.17
1977	23,206,293	1.98
1976	23,059,995	1.72
1975	22,920,047	1.36

* 53 weeks.
‡ Including operating revenues.
+ Based on the weighted average number of common shares and common share equivalents.

Revenues by Line of Business

	1979	1978	1977	1976
Drug chain	91%	91%	91%	91%
J. Byrons	9	9	9	9

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.76	–	–
1978	0.60	–	–
1977	0.45	–	–
1976	0.345	–	–
1975	0.285	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1979	$358,178,421	$15.17
1978	311,456,076	13.36
1977	272,405,800	11.74
1976	231,878,538	10.06
1975	196,503,077	8.57

Income Account*

Year ended	7/28/79	7/29/78
Net sales & oper. revenues	$1,325,140,043	$1,131,444,677
Cost of sales	937,457,827	798,532,515
Expenses	282,993,614	238,058,595
Interest income	(4,428,706)	(1,473,064)

Income before taxes	$ 109,117,308	$ 96,326,631
Income taxes	49,814,535	45,693,929
Net Income	$ 59,302,773	$ 50,632,702

* Included in Costs and Expenses. Depreciation: $12,443,303 in 1979 and $10,005,789 in 1978.

Assets

As of	7/28/79	7/29/78
Cash	$ 21,494,848	$ 12,538,474
Investments	58,525,162	52,134,950
Receiv., net	26,708,671	20,364,801
*Inventories	246,740,294	219,012,400
Prepaid expenses	1,611,114	2,194,106
Current Assets	$355,080,089	$306,244,731
#Fixed assets	108,243,405	86,592,203
Other assets & defer. charges	3,024,642	2,865,005
Intangibles	23,789,257	23,838,894
Total Assets	$490,137,393	$419,540,833

Liabilities

Long-term debt, curr.	$ 529,845	$ 529,201
Accts. payable	72,223,395	54,695,210
Accruals	31,392,185	27,318,475
Income taxes	8,210,742	15,162,312
Defer. inc. taxes	2,713,547	2,305,952
Curr. Liabilities	$115,069,714	$100,011,150
Long-term debt	11,356,920	5,241,706
Deferred inc. taxes	5,532,338	2,831,901
+Common stock	2,360,577	2,330,684
Add. paid-in capital	72,245,650	67,048,521
Retained earnings	283,572,194	242,076,871
Total Liabilities & Shareholders' Equity	$490,137,393	$419,540,833

* At LIFO.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.23	8.51
%Net Income to Sales	4.48	4.48
%Net Income to Equity	16.56	16.26
Working Capital	$240,010,375	$206,233,581
Current Ratio	3.09	3.06
Shareholders' Equity	$358,178,421	$311,456,076

Jack Winter, Inc.

8100 North Teutonia Avenue
Milwaukee, Wisconsin 53209
(414) 354-4100

Officers: Jack A. Winter, chairman of the board & chief executive officer; Jack R. Winter, president & treasurer; Michael Winter, v.p. & pres., Jack Winter Apparel, Inc.; Jos. E. Rapkin, secretary; Jere D. McGaffey, asst. secretary.

Directors: Jack A. Winter, Jack R. Winter, Michael Winter, Gerald F. Lahey, Robert J. Maier, Jos. E. Rapkin, John D. Winfrey, Elmer L. Winter.

Business Activities: Engaged in the production and sale of women's sportswear, including skirts, shirt jackets, coordinates, blazers, pants, and cardigans. Also manufactures the "Jocktue" line of apparel designed exclusively for larger women; operates the Mary Lester chain of retail fabric stores.

Division(s):

Jack Winter Division
Wendy Winter Division
Jocktue Division
Mary Lester Division

Transfer Agent(s):

First Wisconsin Trust Company
Milwaukee, Wisconsin

Stock Exchange(s): New York

Ticker Symbol: JWI

Number of Stores: (at fiscal year end)

1979	50	1976	50
1978	50	1975	50
1977	50		

Sales and Earnings

	Net Sales	Net Income
1979	$ 48,008,000	$ (209,000)
1978	54,863,000	3,074,000
1977	64,881,000	7,652,000
1976*	75,237,000	10,635,000
1975	68,028,000	9,381,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	3,783,000	$ –
1978	3,804,000	0.81
1977	3,799,000	2.01
1976	3,850,956	2.76
1975	3,843,153	2.44

(Loss)
* Eleven months.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978	1977	1976
Apparel	89%	87%	84%	82%
Retail fabric	11	13	14	14
Other	–	–	2	4
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$1.00	–	–
1978	1.00	–	–
1977	0.95	–	–
1976	0.76	–	3-for-2
1975	0.53	–	–

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 37,248,000	$ 9.85
1978	41,732,000	10.97
1977	42,577,000	11.21

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account*

Year ended	12/1/79	12/2/78
Net sales	$ 48,008,000	$ 54,863,000
Cost of sales	35,489,000	35,243,000
Expenses	13,716,000	13,747,000
Interest income	(1,392,000)	(1,222,000)
Loss on sale of invest.	369,000	910,000
Interest expense	174,000	223,000
Income (loss) before taxes	$ (348,000)	$ 5,962,000
Income taxes (credit)	(139,000)	2,888,000
Net Income (Loss)	$ (209,000)	$ 3,074,000

* Included in Costs and Expenses. Depreciation: $1,662,000 in 1979 and $1,494,000 in 1978.

Assets

As of	12/1/79 ‡	12/2/78
Cash	$ 2,201,000	$ 1,286,000
Investments	6,149,000	15,716,000
Accts. receiv., net	9,390,000	11,727,000
Refundable taxes	2,589,000	279,000
*Inventories	9,890,000	10,642,000
Prepaid expenses & other assets	486,000	373,000
Current Assets	$ 30,705,000	$ 40,023,000
#Fixed assets	8,890,000	9,801,000
Invest. in securities	4,906,000	655,000
Other assets	890,000	818,000
Total Assets	$ 45,391,000	$ 51,297,000

Liabilities

Cap. lease oblig., curr.	$ 199,000	$ 236,000
Accts. payable	4,622,000	5,032,000
Accruals	1,540,000	1,698,000
Income taxes	56,000	821,000
Dividends payable	939,000	952,000
Curr. Liabilities	$ 7,356,000	$ 8,739,000
Cap. lease oblig.	683,000	884,000
Deferred inc. taxes	104,000	(58,000)
+Common stock	3,811,000	3,811,000
Add. paid-in capital	313,000	313,000
Retained earnings	33,653,000	37,648,000
Treasury stock	(529,000)	(40,000)
Total Liabilities & Shareholders' Equity	$ 45,391,000	$ 51,297,000

‡ Reclassified to conform to 1979 presentation.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to sales	–	10.87
%Net Income to Sales	–	5.60
%Net Income to Equity	–	7.37
Sales to Inventories	4.85	5.16
Working Capital	$ 23,349,000	$ 31,284,000
Current Ratio	4.17	4.58
Shareholders' Equity	$ 37,248,000	$ 41,732,000

Jacobson Stores Inc.

1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Officers: Nathan Rosenfeld, chairman of the board; J. R. Fowler, president; Mark K. Rosenfeld, exec. v.p.; Nathan Forman, v.p.-fashion merchandising; Wayne C. Gardner, v.p.-personnel; Keith D. Houck, v.p.-store planning; George E. McGlinnen, v.p.-furniture merchandising; Paul W. Gilbert, v.p. & controller; John F. Rickerby, Del Bright, Alan J. Herman, Blake N. Soper, Floyd H. Pond, v.p.'s; Robert L. Moles, v.p.-operations; Richard Z. Rosenfeld, secretary; Robert M. Eaton, treasurer; Paul O. Fritz, asst. treasurer & asst. secretary.

Directors: Nathan Rosenfeld, J. R. Fowler, Herbert S. Amster, Frank Couzens, Jr., Raymond C. Fitzgerald, Edwin I. Goldring, Morris Goldstein, Maurice H. Koodish, Richard Z. Rosenfeld, Robert L. Rosenfeld, Mark K. Rosenfeld, Herman S. Kohlmeyer, Jr., Travis W. Pearse, Patricia Shontz Longe.

Business Activities: Owns and operates apparel stores and home furnishings stores in Michigan, Ohio and Florida.

Subsidiaries:

Jacobson Credit Corp.
1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Jacobson Stores Inc.

Jacobson Stores Realty Company
1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Transfer Agent(s):

Manufacturers National Bank of Detroit
Detroit, Michigan

Irving Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JCBS (NASDAQ)

Number of Stores: (at fiscal year end)

1979	15	1976	23
1978	15	1975	23
1977	23		

Sales and Earnings

	Net Sales†	Net Income +
1979	$138,122,306	$ 1,604,548
1978	122,291,818	1,570,736
1977	108,587,784	1,986,814
1976*	98,707,835	2,214,369
1975	84,962,323	(596,713)

	No. of Com. Shares	Earn. per Share # +
1979	993,054	$1.58
1978	992,555	1.55
1977	991,059	1.96
1976	990,394	2.19
1975	987,980	—

(Loss)
+ Restated to reflect capitalization of leases.
* 53 weeks.
† Including leased departments.
# Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.40	—	—
1978	0.37½	—	—
1977	0.36	—	—
1976	0.30	—	—
1975	0.30	—	—

Common Stock Equity †

	Total Equity‡	Equity Per Share
1979	$ 20,685,483	$20.83
1978	19,505,265	19.65
1977	18,324,898	18.49

† Restated to reflect capitalization of leases.
‡ After allowing for preferred stock at par value.

Income Account ‡

Year ended	7/28/79	7/29/78
† Net sales	$133,649,157	$117,923,737
Cost of sales & expenses	116,346,704	103,167,950
Depreciation & amortization	3,484,818	3,083,118
Rentals	570,482	566,352
Repairs & maintenance	827,633	680,430
Interest expense	5,194,682	3,928,704
Misc. taxes	4,735,290	4,056,447
Income before taxes	$ 2,489,548	$ 2,440,736
Income taxes	885,000	870,000
Net Income	$ 1,604,548	$ 1,570,736

‡ Restated to reflect capitalization of leases.
† Of owned departments only.

Assets

As of	7/28/79‡	7/29/78
Cash	$ 2,667,813	$ 1,463,215
Receiv., net	8,468,926	9,304,534
Refundable taxes	—	94,000
*Inventories	26,346,359	21,594,689
Prepaid expenses & other assets	750,946	876,437
Current Assets	$ 38,234,044	$ 33,332,875
#Fixed assets	45,086,013	40,400,571
Capital leases	4,141,407	4,908,911
Other assets	4,387,821	3,531,333
Total Assets	$ 91,849,285	$ 82,173,690

Liabilities

Long-term debt, & cap. lease oblig., curr.	$ 1,890,556	$ 1,989,492
Accts. payable	11,999,387	9,426,990
Accruals	3,537,723	2,611,527
Income taxes	254,166	96,545
Def. inc. taxes	2,769,000	2,273,000
Curr. Liabilities	$ 20,450,832	$ 16,397,554
Long-term debt	43,137,203	37,957,244
Cap. lease oblig.	5,013,173	5,838,472
Deferred inc. taxes	1,844,000	1,820,000
Other liabilities	169,094	99,655
+Preferred stock: 1969 Series	549,500	555,500
+ +Common stock	1,028,154	1,027,655
Add. paid-in capital	4,176,143	4,170,651
Retained earnings	15,803,538	14,629,311
Treasury stock	(322,352)	(322,352)
Total Liabilities & Shareholders' Equity	$ 91,849,285	$ 82,173,690

‡ Restated to reflect capitalization of leases.
* At cost (LIFO) using retail inventory method.
# Less accumulated depreciation and amortization.
+ $100 par value, 6% cumulative, convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.86	2.07
%Net Income to Sales	1.20	1.33
%Net Income to Equity	7.56	7.83
Sales to Inventories	5.07	5.46
Working Capital	$ 17,783,212	$ 16,935,321
Current Ratio	1.87	2.03
Shareholders' Equity	$ 21,234,983	$ 20,060,765

Jamesway Corporation

40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Officers: Herbert Fisher, chairman & chief executive officer; Arlie G. Lazarus, president; Joseph Nusim, exec. v.p.; vice presidents: Monroe J. Simon;-human resources, Murray Kaplan-advertising, John Stanhope-distribution & personnel, William Rokoff-merchandising, Joseph Radecki-store operations, Eric Zorn-security & store expenses, Andrew D. Loconti-real estate, Alfred Petrillo-store construction, Kenneth Simon-new store development; Jack Cotroneo-warehousing, Arthur Gerber-merchandise planning, Marty Goldman-finance; Emanuel Brown, management info. sys; Gerald R. Fitzgerald, personnel; Howard J. Blaugrund, secretary; William J. Hoh, controller & asst. secretary; Kevin Regan, treasurer.

Directors: Herbert Fisher, chairman; Howard J. Blaugrund, Lee M. Bronster, Kenneth Kwit, Charles W. Cox, James S. Girmonde, Arlie G. Lazarus, Andrew D. Loconti, Monroe J. Simon, Leon Novak, Robert S. Bargar; Mortimer Steinberg.

Business Activities: Operates a chain of discount department stores in New Jersey, New York, Pennsylvania, Ohio and Virginia.

Subsidiaries:

Horizon Advertising Agency, Inc.
40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Route 197 Realty Co.
40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Omnia Protective Services, Inc.
40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Hardware Distributors, Inc.
30 Hartz Way
Secaucus, New Jersey 07094

J.M.Y. Portraits Inc.
40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Transfer Agent(s):

National Bank of North America
80 Pine Street
New York, New York 10005

Stock Exchange(s): New York

Ticker Symbol: JMY

Number of Stores: (at fiscal year end)

1980	61	1977	41
1979	49	1976	37
1978	46		

Sales and Earnings

	Net Sales	Net Income +
1980	$242,409,000	$ 6,371,000
1979*	202,293,000	5,816,000
1978	167,302,942	4,105,000
1977	135,610,905	3,719,000
1976	108,051,134	1,768,000

	No. of Com. Shares †	Earn. per Share ‡ +
1980	2,738,929	$2.29
1979*	2,691,739	2.11
1978	2,658,965	1.80
1977	2,630,230	1.39
1976	2,489,387	0.66

* 53 weeks.
+ Restated to reflect change in accounting method.
† Adjusted to reflect stock dividends and stock split.
‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.08	—	—
1979	0.07	5% & 10% +	—
1978	0.06	—	3-for-2
1977	0.03	5%	—
1976	—	3%	—

‡ Adjusted to reflect stock dividends and stock split.
+ Declared April, 1979.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 37,393,000	$13.65
1979	31,002,000	11.52
1978	25,254,000	9.50
1977	20,430,000	7.77
1976	16,745,000	6.73

† Restated to reflect change in accounting method.
‡ Adjusted to reflect stock dividends and stock split.

Income Account
(000's)

Year ended	2/2/80	2/3/79 ‡ (53 weeks)
Net sales	$ 242,409	$ 202,293
Other income	3,055	2,474
Total income	$ 245,464	$ 204,767
Cost of sales	169,167	140,660
Expenses	59,408	48,808
Depreciation & 8amortization	2,898	2,356
Interest expense	1,983	1,420
Income before taxes	$ 12,008	$ 11,523
Income taxes	5,637	5,707
Net Income	$ 6,371	$ 5,816

‡ Restated to conform to 1980 presentation.

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 2,990	$ 3,673
Receiv., net	2,880	1,593
*Inventories	48,600	40,969
Prepaid expenses & other curr. assets	2,322	1,356
Gov't. obligations	9,000	4,000
Current Assets	$ 65,792	$ 51,591
#Fixed assets	15,424	12,086
Leased prop. under cap. leases	7,543	5,055
Other assets	751	317
Total Assets	$ 89,501	$ 69,049

Liabilities
(000's)

	2/2/80	2/3/79
Long-term debt, curr.	$ 461	$ 475
Cap. lease oblig. curr.	337	283
Accts. payable	13,272	9,884
Accruals	3,922	2,736
Income & other taxes	4,817	4,680
Curr. Liabilities	$ 22,809	$ 18,058
Long-term debt	19,099	12,559
Accum. inc. tax reductions	1,663	1,364
Cap. lease oblig.	8,537	6,066
+Common stock	2,816	2,769
Add. paid-in capital	9,623	9,427
Retained earnings	25,146	18,998
Treasury stock	(192)	(192)
Total Liabilities & Shareholders' Equity	$ 89,501	$ 69,049

* At lower of average cost (retail method) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	2/2/80	2/3/79
%Income bef. Taxes to Sales	4.95	5.70
%Net Income to Sales	2.63	2.88
%Net Income to Equity	17.04	18.76
Sales to Inventories	4.99	4.94
Working Capital	$ 42,983,000	$ 33,533,000
Current Ratio	2.88	2.86
Shareholders' Equity	$ 37,393,000	$ 31,002,000

Jewel Box Stores Corporation

201 North Elm
Wachovia Building
Greensboro, North Carolina 27401
(919) 379-9437

Officers: Lawrence M. Cohen, president & chief executive officer; Hargrove Bowles, Jr., vice chairman of the board; Martin M. Bernstein, exec. v.p.-corp. devel.; Richard I. Backer, exec. v.p. store operations; Russell L. Cohen-v.p.-marketing; Joseph W. Hutton, controller, asst. treasurer & asst. secretary; George E. Norman, Jr., v.p.; Louis Green, v.p. & secretary; Milton Greenspon, v.p. & treasurer; William E. Thunberg, v.p.-regional manager-store operations; Robert C. Mills, III, asst. v.p. & v.p.-info. services; Ann I. Cranford, asst. v.p.-store operations; Reuben E. Mercer, John K. Cohen, asst. v.p.'s; John L. Rendleman, Sidney J. Stern, Jr., asst. secretaries.

Directors: Richard I. Backer*, Martin M. Bernstein*, Hargrove Bowles, Jr.*, Lawrence M. Cohen*, Louis Green, Milton Greenspon, L. H. Harvin, Jr., George E. Norman, Jr.*, Russell L. Cohen.

* Member of Executive Committee.

Business Activities: Operates jewelry stores in the East and Texas.

Transfer Agent(s):

First Union National Bank of North Carolina
(Class A and B Common Stock)
Charlotte, North Carolina

Number of Stores: (at fiscal year end)

1980	90	1977	89
1979	91	1976	94
1978	89		

Sales and Earnings

	Net Sales †	Net Income‡
1980	$ 33,237,000	$ (108,000)
1979	30,006,000	1,071,000
1978	27,532,000	1,596,000
1977	23,050,000	582,000
1976	21,422,000	219,000

	No. of Com. Shares	Earn. per Share #‡
1980	1,392,000	$ –
1979	1,394,000	0.77
1978	1,394,000	1.14
1977	1,397,000	0.41
1976	1,408,000	0.16

(Loss)
† Restated to conform to 1980 presentation.
# Based on weighted average number of shares outstanding.
‡ Including extraordinary gain of $56,812 ($0.04 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 11,731,000	$8.43
1979	11,843,217	8.50
1978	10,772,414	7.73
1977	9,213,506	6.59
1976	8,677,000	6.16

Income Account *

Year ended March 31	1980	1979 †
Net sales	$ 33,236,795	$ 30,006,415
Cost of sales	20,859,612	17,373,197
Expenses	12,021,813	10,297,455
Interest expense	531,760	551,460
Income (loss) bef. taxes	$ (176,390)	$ 1,784,303
Income taxes (credit)	(68,000)	713,500
Net Income (Loss)	$ (108,390)	$ 1,070,803

* Included in Costs and Expenses, Depreciation and Amortization: $539,507 in 1980 and $475,130 in 1979.
† Restated to conform to 1980 presentation.

Assets

As of March 31	1980	1979
Cash	$ 559,160	$ 338,949
Marketable securities	750,000	–
Accts. & notes receiv., net	6,756,728	6,114,568
* Inventories	13,146,316	13,147,405
Prepaid expenses	397,329	192,863
Current Assets	$ 21,609,533	$ 19,793,785
# Fixed assets	3,139,568	2,777,095
Other assets	272,297	337,119
Total Assets	$ 25,021,398	$ 22,907,999

Liabilities

	1980	1979
Long-term debt, curr.	$ 13,173	$ 5,000
Accts. payable	3,917,210	1,588,637
Accruals	1,012,546	875,035
Accrued payroll	1,030,925	1,136,578
Deferred income taxes	1,681,162	1,775,737
Income taxes	110,510	166,295
Curr. Liabilities	$ 7,765,526	$ 5,547,282
Long-term debt	5,524,760	5,517,500
+ Common stock:		
Class A	187,868	190,028
Class B	1,203,675	1,203,675
Add. paid-in capital	2,001,131	2,001,429
Retained earnings	8,338,438	8,448,085
Total Liabilities & Shareholders' Equity	$ 25,021,398	$ 22,907,999

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	–	5.95
%Net Income to Sales	–	3.57
%Net Income to Equity	–	9.04
Sales to Inventories	2.53	2.28
Working Capital	$ 13,844,007	$ 14,246,503
Current Ratio	2.78	3.57
Shareholders' Equity	$ 11,731,112	$ 11,843,217

Jewel Companies, Inc.

O'Hare Plaza
5725 N. East River Road
Chicago, Illinois 60631
(312) 693-6000

Officers: Donald S. Perkins, chairman of the board; Weston R. Christopherson, president & chief executive officer; Richard G. Cline, vice chairman & chief operating officer; Lawrence Howe, exec. v.p.-finance & law; Clifford R. Johnson, exec. v.p.-real estate & construction; vice presidents: Samuel J. Parker-business development; Robert D. Jones-public affairs; Charles E. McClellan-taxes; Robert P. Dorsher -personnel & industrial relations; Lawrence J. Fernstrom, Jr.-info. systems; John N. Balch, v.p. & treasurer; Gene B. Kilham, v.p. & controller; Jacob J. Schnur, v.p.& asst. general counsel; Robert F. Berrey, secretary.

Directors. Raymond C. Baumhart, Silas S. Cathcart*, Richard G. Cline, Weston R. Christopherson*, Stephen M. DuBrul, Jr., Karl D. Bays, Richard B. Ogilvie*, Donald S. Perkins*, Barbara Scott Preiskel, Lawrence E. Fouraker, James E. Olson, Robert W. Reneker.

* Member of Executive Committee.

Business Activities: Operates the following units: supermarkets under the names Jewel Food Stores, Star Markets, Buttrey Food Stores, and Eisner Food Stores; White Hen Pantry, convenience stores; Osco Drug, a chain of self-service drug stores; Brigham's ice cream and sandwich shops; Mass Feeding Corporation, institutional foods; and Jewel's Home Service Routes. Foreign operations include Aurrera, S.A. (Mexico 45.2% interest).

Jewel Companies, Inc.

Divisions & Subsidiaries:

Brigham's Inc.
30 Mill Street
Arlington, Massachusetts 02174
(617) 648-9000

Buttrey Foods
601 Sixth Street, S.W.
Great Falls, Montana 59403
(406) 761-3401

Eisner Food & Agency Stores
301 E. Wilbur Heights Road
Champaign, Illinois 61820
(217) 351-3300

Direct Marketing Division
Jewel Park
Barrington, Illinois 60010
(312) 631-4700

Jewel Food Stores
1955 West North Avenue
Melrose Park, Illinois 60160
(312) 531-6000

Osco Drug, Inc.
1818 Swift Drive
Oak Brook, Illinois 60521
(312) 887-5000

Star Market Company
625 Mt. Auburn Street
Cambridge, Massachusetts 02138
(617) 491-3000

Mass Feeding Corporation
First Federal Office Plaza
1699 East Woodfield Road
Schaumburg, Illinois 60193
(312) 437-5920

White Hen Pantry
666 Industrial Drive
Elmhurst, Illinois 60126
(312) 833-3100

Jewel Home Shopping Service
Jewel Park
Barrington, Illinois 60010

Jewel T Discount Grocery
Jewel Park
Barrington, Illinois 60010

The Park Corporation
Jewel Park
Barrinnton, Illinois 60010

Affiliates:

Aurrera, S.A. (45.2% interest)
Av. Universidad No. 936-A
Mexico 13, D.F.

Transfer Agent(s)

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Midwest

Ticker Symbol: JWL

Number of Retail Units: (at fiscal year end)

	Super-markets	Home Service Routes
1979	357	1,133
1978	364	1,310
1977	374	1,374
1976	378	1,445
1975	387	1,508

	General Merchandise Stores	Self-Service Department Stores
1979	263	–
1978	259	–
1977	271	21
1976	256	28
1975	258	24

	Candy Ice Cream Sandwich Shops	Convenience Stores
1979	95	234
1978	92	216
1977	96	213
1976	104	223
1975	103	217

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 3,764,266	$ 50,686
1979*	3,516,352	41,142
1978	3,277,742	26,586
1977	2,981,429	35,762
1976	2,817,754	28,283

	No. of Com. Shares ‡	Earn. per Share ‡
1980	11,155,000	$4.54
1979	11,442,000	3.59
1978	11,576,000	2.29
1977	11,507,000	3.10
1976	11,452,000	2.47

* 53 weeks.
‡ Based on the average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Supermarkets	$ 2,817,944	$ 2,681,639
General merchandise stores	608,304	584,889
Other sales & revenues	338,018	249,824
Total	$ 3,764,266	$ 3,516,352

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.62	–	–
1979	1.37	–	–
1978	1.30	–	–
1977	1.25	–	–
1976	1.20	–	–

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 376,766	$ 33.69
1979	343,579	30.87
1978	331,614	28.58
1977	318,868	27.64
1976	296,882	25.84

I[illegible]ount*
[illegible]

Year ended	[illegible]	2/3/79 (53 weeks)
Net sales	$ 3,764,266	$ 3,516,352
Cost of sales	2,979,185	2,768,656
Expenses	701,929	671,534
Other income	(2,375)	(2,945)
Interest expense	26,140	23,532
Loss on facility dispos.	–	712
Income before taxes	$ 59,387	$ 54,863
Income taxes	23,244	22,197
Minority interest	(14,543)	(8,476)
Net Income	$ 50,686	$ 41,142

* Included in Costs and Expenses, Depreciation and Amortization: $56,663 in 1980 and $53,692 in 1979.

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 30,768	$ 22,425
Marketable securities	10,760	43,223
Accts. receiv., net	46,743	43,451
*Inventories	304,488	271,904
Prepaid expenses	17,569	11,435
Current Assets	$ 410,328	$ 392,438
Investments	58,468	48,746
#Fixed assets	536,678	511,637
Other assets	6,893	5,317
Total Assets	$ 1,012,367	$ 958,138

Liabilities
(000's)

Long-term debt, curr.	$ 14,492	$14,238
Accts. payable	129,448	128,013
Accruals	130,340	130,941
Income taxes	5,042	4,668
Curr. Liabilities	$ 279,322	$ 277,860
Long-term debt	283,074	268,552
Deferred liabilities	22,195	19,682
Deferred inc. taxes	50,141	47,216
+ Preferred stock	1,650	1,650
+ + Common stock	86,449	86,644
Retained earnings	303,346	271,458
Treasury stock	(13,810)	(14,924)
Total Liabilities & Shareholders' Equity	$ 1,012,367	$ 958,138

* At lower of cost (FIFO or weighted average) or market.
# Less accumulated depreciation.
+ $100 par value, 3¾% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.58	1.56
%Net Income to Sales	1.35	1.17
%Net Income to Equity	13.42	11.93
Sales to Inventories	12.36	12.93
Working Capital	$131,006,000	$114,578,000
Current Ratio	1.47	1.41
Shareholders' Equity	$377,635,000	$344,828,000

Jonathan Logan, Inc.

50 Terminal Road
Secaucus, New Jersey 07094
(201) 867-9350

Officers: Richard J. Schwartz, chairman of the board, president & chief executive officer; David Keery, v.p.-finance; Iran H. Cagan, treasurer; Walter L. Krieger, secretary.

Directors: David Schwartz, Miles F. McDonald, L. Jay Tenenbaum, Edward B. Wallace, Bruce Zenkel, David Keery*, Frank A. Mingle, Richard J. Schwartz*.

* Member of the Executive Committee.

Business Activities: Integrated producer of women's apparel. Through its 14 domestic garment producing divisions, it manufactures and sells junior and misses size dresses, suits and sportswear (consisting of skirts, blouses, pants and jackets). It also produces and sells rainwear for men and women, women's swimwear, men's and women's footwear, leather goods, children's wear and coordinated sportswear for men. The company's garment producing divisions conduct manufacturing operations at 58 plants located in 36 cities in the United States and in addition utilize the services of approximately 115 independent contractors who manufacture exclusively for them. The company also produces its own double knit fabric at its Butte Knitting Mills division in Spartanburg, South Carolina and through its wholly owned subsidiary, Lana-Knit (Ireland) Ltd. in Shannon, Ireland. Through a joint venture, the company manufactures apparel in England and Ireland which it sells principally in the United Kingdom.

Subsidiary:

Venice Industries Incorporated
Manufactures knitted fabrics and operates 6 retail stores located in New York, New Jersey, and Quebec, Canada.

Acquisition(s):

Venice Industries Incorporated (May 1979)
1407 Broadway
New York, New York 10018
Manufactures knitted fabrics.

Transfer Agent(s):

Chemical Bank
New York, New York

First Jersey National Bank
Jersey City, New Jersey

Stock Exchange(s): New York

Ticker Symbol: JOL

Number of Stores: (at fiscal year end)

1979	6	1976	5
1978	5	1975	6
1977	6		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$426,144,000	$ (39,156,000)
1978	400,651,000	9,630,000
1977	405,286,000	10,588,000
1976	381,568,000	12,073,000
1975	320,791,000	6,234,000

	No. of Com. Shares	Earn. per Share + ‡
1979	5,185,484	$ –
1978	5,170,365	1.83
1977	5,291,011	1.96
1976	5,039,266	2.20
1975	5,133,866	1.15

(Loss)
+ Based on weighted average number of shares outstanding adjusted to reflect stock dividend.
‡ Including extraordinary loss of $725,000 ($0.13 per share) in 1976 and extraordinary gain of $382,000 ($0.07 per share) in 1975.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.60	–	–
1978	0.60	–	–
1977	0.59	–	–
1976	0.48	5%	–
1975	0.38	–	–

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$137,952,000	$26.60
1978	180,036,000	34.82
1977	174,984,000	33.07
1976	167,537,000	33.25
1975	159,354,000	31.04

Income Account *
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 426,144	$ 400,651
Cost of sales	337,873	320,774
Expenses	71,201	66,312
Interest expense	8,139	6,690
Loss assoc. with reduc. in for. oper.	5,114	–
Other income	(5,102)	(4,763)
Income before taxes	$ 8,919	$ 11,638
Income taxes	4,371	5,212
Minority interest	(1,250)	(860)
Income from cont. oper.	$ 5,798	$ 7,286
Income (loss) from discont. oper.	(44,954)	2,344
Net Income (Loss)	$ (39,156)	$ 9,630

* Included in Costs and Expenses, Depreciation: $7,070,000 in 1979 and $6,642,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 21,847	$ 28,518
Accts. receiv., net	48,711	48,009
Other receivables	4,404	3,334
* Inventories	94,836	83,617
Prepaid income taxes & other expenses	5,527	4,695
Current Assets	$ 175,325	$ 168,173
Investments	16,486	52,676
Eq. in assets of affil. co.	3,635	3,005
# Fixed assets	56,031	59,467
Goodwill	8,525	5,906
Other Assets	2,679	1,443
Total Assets	$ 262,681	$ 290,670

Liabilities
(000's)

	1979	1978
Notes payable	$ 29,000	$ 15,000
Long-term debt, curr.	8,506	5,883
Accts. payable	22,748	17,220
Accruals	13,264	11,721
Income taxes	2,690	3,910
Curr. Liabilities	$ 76,208	$ 53,734
Long-term debt.	36,460	44,948
Deferred income	5,758	5,819
Deferred inc. taxes	6,303	6,133
+ Common stock	2,741	2,741
Add. paid-in capital	50,000	49,879
Retained earnings	88,642	130,908
Treasury stock	(3,431)	(3,492)
Total Liabilities & Shareholders' Equity	$ 262,681	$ 290,670

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Net Income to Equity	–	5.35
Sales to Inventories	4.49	4.79
Working Capital	$ 99,117,000	$114,439,000
Current Ratio	2.30	3.13
Shareholders' Equity	$137,952,000	$180,036,000

Judy's Inc.

7710 Haskell Avenue
Van Nuys, California 91406
(213) 787-0300

Officers: Lawrence Israel, chairman of the board & treasurer; Marcia Israel, president & chief executive officer; Betty Gourley, v.p.-distribution; Frank Stuppel, v.p.-finance/general merchandise; Ronald Goldstein, v.p.-operations; Irene Satz, v.p.-fashion design.

Directors; Lawrence Israel, chairman; Marcia Israel, Preston Kline, Ben Sumner, Herbert Kern, Jack D. Steele.

Business Activities: Operates a chain of retail apparel stores designed to appeal to young men and women. These stores are located in California, Nevada, Texas, Arizona and New Mexico.

Transfer Agent(s):

Bank of America
National Trust & Savings Association
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JUDY (NASDAQ)

Number of Stores: (at fiscal year end)

1980	53	1977	39
1979	48	1976	35
1978	44		

Sales and Earnings

	Net Sales	Net Income
1980	$ 37,538,000	$ 1,309,000
1979	33,940,000	1,479,000
1978	29,733,000	1,285,000
1977	25,716,000	1,057,000
1976	24,048,000	1,008,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,234,000	$0.59
1979	2,223,000	0.67
1978	2,216,000	0.58
1977	2,220,000	0.48
1976	2,231,000	0.45

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	–	50%†	–

† Distributed in the form of a stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 12,251,000	$5.49
1979	11,112,000	5.00
1978	9,766,000	4.41
1977	8,482,000	3.82
1976	7,430,000	3.33

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$ 37,538,000	$ 33,940,000
Cost of sales	24,047,000	21,503,000
Expenses	10,857,000	9,565,000
Interest expense	241,000	122,000
Income before taxes	$ 2,393,000	$ 2,750,000
Income taxes	1,084,000	1,271,000
Net Income	$ 1,309,000	$ 1,479,000

* Included in Costs and Expenses, Depreciation and Amortization: $548,000 in 1980 and $463,000 in 1979.

Judy's Inc.

Assets

As of Jan. 31	1980	1979
Cash	$ 18,000	$ 138,000
Accts. receiv., net	2,839,000	2,693,000
Sundry debtors	226,000	122,000
*Inventories	6,699,000	6,553,000
Prepaid expenses	259,000	346,000
Current Assets	$ 10,041,000	$ 9,852,000
#Fixed assets	5,341,000	4,332,000
Other assets	2,306,000	2,296,000
Total Assets	$ 17,688,000	$ 16,480,000

Liabilities

	1980	1979
Notes payable	$ —	$ 500,000
Long-term debt, curr.	33,000	20,000
Acct. payable	2,208,000	1,828,000
Accruals	2,146,000	2,001,000
Curr. Liabilities	$ 4,387,000	$ 4,349,000
Long-term debt	686,000	718,000
Deferred inc. taxes	364,000	301,000
+Common stock	1,121,000	744,000
Add. paid-in capital	2,896,000	3,264,000
Retained earnings	8,234,000	7,104,000
Total Liabilities & Shareholders' Equity	$ 17,688,000	$ 16,480,000

* At lower of cost (FIFO) or market, determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.37	8.10
%Net Income to Sales	3.49	4.36
%Net Income to Equity	10.68	13.31
Sales to Inventories	5.60	5.18
Working Capital	$ 5,654,000	$ 5,503,000
Current Ratio	2.29	2.27
Shareholders' Equity	$ 12,251,000	$ 11,112,000

Jupiter Industries, Inc.

400 East Randolph Street
Chicago, Illinois 60601
(312) 527-2000

Officers: Jerrold Wexler, chairman of the board; Edward W. Ross, president; Philip Rootberg, v.p.-corp. development; Elmer R. Bruksch, J. Inman Kidd, Jerry Margolis, C.H. Jamison, Charles G. Miller, Robert D. Stone, Charles D. Miller, Ira A. Kipnis, James V. Scattergood, vice presidents; Frederic P. Dunne, v.p. & treasurer; Sheldon O. Collen, secretary; Kenneth A. Royse, asst. treasurer; Robert M. Green, E. Hal Mitchell, asst. secretaries.

Directors: Jerrold Wexler, chairman; Edward W. Ross, Leonard W. Golan, Philip Rootberg, Elmer R. Bruksch, Irving J. Markin, Victor Nemeroff, William W. Wilkow.

Divisions & Subsidiaries:

Federal Bake Shops, Inc. (Retail Division)
Oak Park, Illinois
Has bakery operations in 21 cities; 18 bakeries bake goods on the premises and sell at retail and two additional branches are served from two of these bakeries.

Real Estate Division
Chicago, Illinois
Real estate development.

Gas Gathering, Oil & Gas Division
Chicago, Illinois
Operates a gas gathering system serving the Rollover Field in the Gulf of Mexico and a processing plant at Lake Arthur, Louisiana.

Testor Corporation (Consumer Products Division)
Rockford, Illinois
Manufactures hobby and household products including decorative and hobby enamel paints, cements and glues; also produces model airplane engines, polyethylene toys, etc.

Kenosha Auto Transport Corporation (Transportation Division)
Dallas & Mavis Forwarding Co., Inc. (Transportation Division).
Kenosha, Wisconsin
Involved in transporting heavy equipment in addition to automobiles, trucks and recreational vehicles.

Economy Mechanical Industries, Inc. (Construction Division)
Wheeling, Illinois
Engaged in the construction, installation and design of plumbing, automatic fire protection, heating, air conditioning, ventilation, and process piping systems for commercial, industrial, institutional and high-rise residential buildings.

Colony Press, Inc. (Graphic Arts Division)
Wilmette, Illinois
Creates and produces full color materials for direct-response advertising.

Chattanooga Gas Company (Utility Division)
Chattanooga, Tennessee
Engaged in the purchase, distribution and retail sale of natural gas in Chattanooga, Tennessee and its environs.

Transfer Agent(s):

The First National Bank of Chicago (common stock)
Chicago, Illinois

Houston National Bank (preferred stock)
Houston, Texas

Stock Exchange(s): American

Ticker Symbol: JUP

Number of Stores: (at fiscal year end)

1979	18	1978	18

Sales and Earnings

	Revenues (000's)	Net Income (000's)‡
1979	$ 235,323	$ 6,102
1978	201,115	2,490
1977	177,667	1,740
1976	171,488	1,706
1975	149,256	46

	No. of Com. Shares †	Earn. per Share †‡
1979	1,116,551	$5.47
1978	1,168,986	2.13
1977	1,175,383	1.48
1976	1,193,426	1.43
1975	1,200,901	0.04

‡ Including extraordinary gain of $199,000 ($0.17 per share) in 1975.
† Based on average number of shares outstanding.

Revenues by Line of Business

	1979	1978
Transportation	$ 98,454,000	$ 84,925,000
Construction	46,601,000	37,415,000
Consumer	21,586,000	19,955,000
Utility	60,709,000	50,366,000
Other	7,057,000	7,138,000
Eq. in inc. of affiliates	916,000	1,316,000
	$235,323,000	$201,115,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 19,668,000	$17.61
1978	14,872,000	12.72
1977	12,382,000†	10.53
1976	10,785,000†	9.04
1975	9,114,888†	7.59

† After allowing for preferred stock at redemption value of $12.50 per share.
‡ Based on average number of shares outstanding.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Revenues	$ 235,323	$ 201,115
Cost of sales	201,578	169,123
Expenses	20,940	18,837
Depreciation, depletion & amortization	4,755	4,769
Interest expense	4,474	4,299
Other charges	328	154
Gain from sale	(6,904)	—
Income before taxes	$ 10,152	$ 3,933
Income taxes	4,050	1,443
Net Income	$ 6,102	$ 2,490

Assets
(000's)

As of Dec. 31	1979	1978
Cash & marketable securities	$ 9,044	$ 9,560
Accts. & notes receiv., net	19,953	19,277
Other receiv.	10,002	9,912
*Inventories	6,624	5,811
Prepaid expenses	2,830	2,644
Current Assets	$ 48,453	$ 47,204
Investments & other assets	6,810	6,537
#Fixed assets	47,884	47,031
Total Assets	$ 103,147	$ 100,772

Liabilities
(000's)

	1979	1978
Notes payable	$ 3,453	$ 2,891
Long-term debt, curr.	3,711	4,345
Accts. payable & accruals	30,918	28,819
Income taxes	622	603
Deferred inc. taxes	1,504	1,740
Curr. Liabilities	$ 40,208	$ 38,398
Long-term debt	29,824	36,777
Deferred income	3,981	3,489
Deferred inc. taxes	9,106	6,682
+ Preferred stock	360	554
+ +Common stock	993	993
Add. paid-in capital	2,014	2,014
Retained earnings	19,047	12,945
Treasury stock	(2,386)	(1,080)
Total Liabilities & Shareholders' Equity	$ 103,147	$ 100,772

* At lower of cost (FIFO) or market.
# Less accumulated depreciation, depletion and amortization.
+ No par value.
+ + $0.75 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Revenues	4.31	1.96
%Net Income to Revenues	2.59	1.24
%Net Income to Equity	31.03	16.14
Working Capital	$ 8,245,000	$ 8,806,000
Current Ratio	1.21	1.23
Shareholders' Equity	$ 19,668,000	$ 14,872,000

Jurgensen's

601 South Lake Avenue
Pasadena, California 91109
(312) 795-4291

Officers: Harold S. Jurgensen, chairman, president & chief exec. officer; John H. Jurgensen, Earl R. Dow, v.p.'s; Paul D. Neumeyer, secretary-treasurer; William H. Richards, v.p. & controller.

Directors: Harold S. Jurgensen, chairman; John H. Jurgensen, John Maechling, George Fry, Jr., Stanley Hahn, William H. Richards, Paul D. Neumeyer, Elmer G. Sammann.

Business Activities: Operates a chain of service food markets in California.

Transfer Agent(s):

Bank of America
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JURG (NASDAQ)

Number of Stores: (at fiscal year end)

1979	17	1976	20
1978	20	1975	21
1977	20		

Sales and Earnings

	Net Sales	Net Income #
1979	$ 16,333,280	$ 399,411
1978	15,359,929	310,426
1977	13,841,337	234,072
1976	13,628,450	204,150
1975	13,741,977	152,873

	No. of Com. Shares	Earn. per Share ‡ #
1979	431,790	$0.86
1978	431,790	0.65
1977	431,790	0.47
1976	431,790	0.40
1975	431,790	0.28

‡ Based on the weighted average number of shares outstanding.
# Including extraordinary gains of $26,560 ($0.06 per share) in 1977 and $39,586 ($0.09 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	–	–
1978	0.20	–	–
1977	0.18	–	–
1976	0.16	–	–
1975	0.16	–	–

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	2,985,114	$6.91
1978	2,702,061	6.26
1977	2,507,993	5.81
1976	2,381,643	5.52
1975	2,276,579	5.27

‡ After allowing for preferred stock at par value of $25 per share.

Income Account*

Year ended	1979	1978
Net sales	$ 16,333,280	$ 15,359,929
Cost of sales	8,149,260	7,894,336
Expenses	7,359,367	6,842,761
Oper. income	$ 824,653	$ 622,832
Interest expense	157,293	126,014
Interest income	(34,455)	(40,115)
Misc. exp.	9,572	19,313
Misc. gains	(12,265)	(62,806)
Income before taxes	$ 704,508	$ 580,426
Income taxes	305,097	270,000
Net Income	$ 399,411	$ 310,426

* Included in Cost and Expenses. Depreciation: $172,544 in 1979 and $164,980 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 69,395	$ 8,264
Accts. receiv., net	857,211	881,042
Notes receiv., & advances	43,979	44,108
Deferred taxes	29,259	24,153
*Inventories	3,047,957	2,920,253
Prepaid expenses	195,802	149,591
Current Assets	$ 4,243,603	$ 4,027,411
#Fixed assets	1,314,628	1,341,745
Other assets	438,533	459,752
Total Assets	$ 5,996,764	$ 5,828,908

Liabilities

Notes payable & long-term debt, curr.	$ 128,646	$ 486,299
Accts. payable	607,956	526,845
Accruals	340,783	447,073
Income taxes	41,241	66,662
Curr. Liabilities	$ 1,118,626	$ 1,526,879
Long-term debt:		
Notes payable	768,874	405,987
Convert. subord. debentures	551,140	638,520
Deferred inc. taxes	73,010	55,461
+ Preferred stock	500,000	500,000
+ + Common stock	431,790	431,790
Add. paid-in capital	559,942	559,942
Retained earnings	1,993,382	1,710,329
Total Liabilities & Shareholders' Equity	$ 5,996,764	$ 5,828,908

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $25 par value; 6% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.31	3.78
%Net Income to Sales	2.45	2.02
%Net Income to Equity	11.46	9.69
Sales to Inventories	5.36	5.26
Working Capital	$ 3,124,977	$ 2,500,532
Current Ratio	3.79	2.64
Shareholders' Equity	$ 3,485,114	$ 3,202,061

K mart Corporation

(formerly S. S. Kresge Company)

3100 West Big Beaver Road
Troy, Michigan 48084
(313) 643-1000

Officers: Robert E. Dewar, chairman of the board; Bernard M. Fauber, vice chairman of the board, chief administrative officer & chief executive officer; Ervin E. Wardlow, president & chief operating officer; Russell A. Hansen, exec. v.p.-merchandising; Grant W. Morck, exec. v.p.-store management; Richard H. Falck, sr. v.p.-treasurer; Robert E. Brewer, exec. v.p.-finance; Samuel G. Leftwich, sr. v.p.-personnel & management development; vice presidents: Roger E. Davis-general counsel & secretary, David P. Walling-general controller, Richard O. Williams-sales & general merchandise manager, George A. Carne-distribution & transportation, Gerald R. Fletcher-corp. info. systems; A. Robert Stevenson-govt. & public relations, E. C. Andrews-southern region, Harold E. Wilcox-western region, Arthur E. Riley-eastern region, L. W. Zane-midwestern region, John P. Johnson-real estate, Harold O. Scarlett-construction.

Directors: Harry B. Cunningham*, William H. Baldwin*, Robert E. Brewer, Robert E. Dewar*, Arnold H. Bachner, Rolland Lawson, E. E. Wardlow*, Dale R. Corson, J. Edward Lundy, R. W. Purcell, P. W. McCracken, Russell A. Hansen, Martha W. Griffiths, Grant W. Morck, Alphonse H. Aymond, David B. Harper, Bernard M. Fauber*, Carl A. Gerstacker.

* Member of Executive Committee

Business Activities: Operates a chain of K mart Discount Stores, Kresge Variety Stores and Jupiter Stores, limited-line discount stores in the United States, Canada, and Puerto Rico; K mart Apparel Corp. and K mart Enterprises, Inc., wholly-owned subsidiaries, operates ladies ready-to-wear department and sporting goods and auto departments in U.S. respectively. Planned Marketing Associates, Inc., a wholly-owned insurance subsidiary, underwrites and mass markets life, accident and health and casualty insurance policies.

Subsidiaries:

K mart Canada Limited
8925 Torbram Street
Bramtton, Ontario, Canada M5B 1L3
(416) 366-3771

K mart Apparel Corp.
7373 Westside Avenue
North Bergen, New Jersey 07047
(201) 861-9100

K mart Enterprises, Inc.
3000 West 14 Mile Road
Royal Oak,Michigan 4873
(313) 549-8401

Planned Marketing Associates, Inc.
200 Treadway Plaza
Exchange Park
Dallas, Texas 75245
(214) 351-5361

Transfer Agent(s):

The National Bank of Detroit
Detroit, Michigan

United California Bank
Los Angeles, California

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: KG

Number of Stores: (K mart, Kresge and Jupiter units at fiscal year end)

1980	2,069	1977	1,646
1979	1,891	1976	1,413
1978	1,782		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 12,731,145	$ 358,000
1979	11,695,539	344,000
1978	9,941,398	298,000
1977	8,381,879	262,000
1976	6,798,142	196,000

	No. of Com. Shares	Earn. per Share ‡
1980	122,836,509	$2.84
1979	122,142,204	2.74
1978	121,649,781	2.39
1977	121,204,770	2.11
1976	120,622,148	1.61

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.84	—	—
1979	0.72	—	—
1978	0.56	—	—
1977	0.32	—	—
1976	0.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$2,185,192,000	$17.79
1979	1,915,666,000	15.68
1978	1,649,445,000	13.56

Income Account *
(000's)

Year ended	1/30/80	1/31/79
Net sales	$ 12,731,145	$ 11,695,539
Other income	186,186	149,031
Total income	$ 12,917,331	$ 11,844,570
Cost of sales	9,282,764	8,565,699
Expenses	2,537,522	2,229,915
Advertising	301,485	272,888
Interest expense	170,965	142,085
Income before taxes	$ 624,595	$ 633,983
Income taxes	270,049	292,481
Insurance operations	(3,453)	(2,204)
Net Income	$ 357,999	$ 343,706

* Included in Costs and Expenses. Depreciation and Amortization: $165,444,000 in 1979 and $146,422,000 in 1978.

Assets
(000's)

As of	1/30/80	1/31/79
Cash	$ 140,276	$ 181,807
Cert. of deposit	76,550	11,750
Marketable securities	83,070	46,966
Accts. receiv., net	76,314	43,012
* Inventories	2,745,562	2,375,897
Prepaid expenses & oper. supplies	48,731	36,743
Current Assets	$ 3,170,503	$ 2,696,175
Investments & advances	202,583	176,678
# Fixed assets	901,197	714,356
Leased prop. under cap. leases	1,332,882	1,227,205
Other assets & deferred charges	35,274	21,846
Total Assets	$ 5,642,439	$ 4,836,260

Liabilities
(000's)

Notes payable	$ 185,540	$ —
Long-term debt, curr.	2,161	1,483
Oblig. under cap. leases, curr.	50,890	46,765
Accts. payable	1,057,556	935,691
Accrued payroll & other liabilities	300,341	253,185
Dividend payable	25,796	21,986
Income taxes	160,373	129,529
Current Liabilities	$ 1,782,657	$ 1,388,639
Long-term debt	209,370	209,256
Oblig. under cap. leases	1,422,292	1,293,888
Deferred inc. taxes	42,928	28,811
+ Common stock	122,837	122,142
Add. paid-in capital	243,467	229,599
Retained earnings	1,818,888	1,563,925
Total Liabilities & Shareholders' Equity	$ 5,642,439	$ 4,836,260

* At LIFO cost.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.91	5.42
%Net Income to Sales	2.81	2.94
%Net Income to Equity	16.38	17.94
Sales to Inventories	4.64	4.92
Working Capital	$1,387,846,000	$1,307,536,000
Current Ratio	1.78	1.94
Shareholders' Equity	$2,185,192,000	$1,915,666,000

Kay Corporation
(formerly Kay Jewelry Stores, Inc.)

320 King Street
Alexandria, Virginia 22314
(703) 683-3800

Officers: Anthonie C. van Ekris, pres. & chief exec. officer; Michael R. Lavington, exec. v.p. & pres.-Kay Jewelers, Inc.; Arie Nugteren, exec. v.p. & pres.-Balfour, Maclaine International Ltd.; John C. Belknap, v.p. & chief financial officer; Dong S. Suh, Julian Rundle, Thomas P. Smith, v.p.'s; Roy I. Weitzer, v.p., secretary & general counsel; Murray Ackerman, treasurer & asst. secretary; Russell Diaz, controller & principal accounting officer; Allana Sears, asst. secretary.

Directors: The Earl of Carrick, Anthonie C. van Ekris, Michael R. Lavington, Whitney I. Gerard, Hugh K. Joyce, James R. Stoner, Andre Ben Lassin, Arie Nugteren, Oliver Stahel.

Business Activities: Engaged through its wholly-owned subsidiary, Kay Jewelers, Inc., in operating retail fine jewelry stores, leased fine jewelry departments in department stores; through its wholly-owned subsidiary, Balfaur, Maclaine International Ltd., in importing and exporting a wide variety of goods and commodities.

Divisions & Subsidiaries:

Balfour, Maclaine International Ltd.
88 Pine Street
New York, New York 10005

The International Trade Division is engaged in importing coffee, rubber, timber and wood products, agricultural commodities, seafood, jute products, and unfinished textiles into the United States. It exports finished goods and commodities produced in the United States, acts as commodity brokers, trades in commodity futures, and handles and trades livestock.

Kay Jewelers, Inc.
320 King Street
Alexandria, Virginia 22314

Operates fine jewelry stores under the names Kay Jewelers and DeRoy Jewelers, and guild jewelry stores under the name of Black, Starr & Frost. It also operates leased fine jewelry department in major U.S. department stores.

Transfer Agent(s):

Bradford Trust Company
2 Broadway
New York, New York 10004

American Security Bank, N.A.
15th and Pennsylvania Avenue, N.W.
Washington, D.C. 20013

Stock Exchange(s): American

Ticker Symbol: KAY

Number of Retail Units: (at fiscal year end)

	Stores	Leased Depts.
1979	201	55
1978	171	47
1977	151	42
1976	136	37
1975	126	38

Sales and Earnings

	Revenues +	Net Income #
1979	$765,143,000	$ 7,754,000
1978	464,536,000	6,422,000
1977	522,225,000	5,519,800
1976	360,548,000	3,199,000
1975	213,072,000	4,343,000

	No. of Com. Shares ‡	Earn. per Share ‡ #
1979	3,052,000	$2.41
1978	3,051,000	1.96
1977	3,592,000	1.41
1976	5,836,000	0.47
1975	5,993,000	0.65

+ Of continuing operations.
# Including extraordinary gains of $222,000 ($0.04 per share) in 1976 and $1,894,000 ($0.35 per share) in 1975.
‡ Based on weighted average number of common shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1979	1978
International trade division	$655,053,000	$376,487,000
Retail division Fine jewelry stores	80,176,000	65,378,000
Leased fine jewelry depts.	29,914,000	22,671,000
Total	$765,143,000	$464,536,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.50	10%	—
1978	0.272	—	—
1977	0.182	—	—
1976	0.091	—	—
1975	0.018	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
1979	$ 28,420,000	$9.31
1978	22,491,000	7.37
1977	20,220,000	5.63
1976	21,477,000	3.68
1975	25,364,000	4.23

+ Based on average number of common shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$ 754,341	$ 459,242
Other income	10,802	5,294
Total income	$ 765,143	$ 464,536
Cost of sales	671,010	395,261
Expenses	63,406	50,119
Interest expense	16,383	6,182
Income before taxes	$ 14,344	$ 12,974
Income taxes	6,590	6,552
Net Income	$ 7,754	$ 6,422

* Included in Costs and Expenses, Depreciation and Amortization: $2,784,000 in 1979 and $2,112,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 11,707	$ 6,711
Accts. & notes	74,360	55,318
* Inventories	134,327	80,015

Other assets	2,756	2,498
Current Assets	$ 223,150	$ 144,542
Invest. in PVO Int'l	4,978	–
# Fixed assets	16,162	11,106
Other assets	5,350	4,881
Total Assets	$ 249,640	$ 160,529

Liabilities
(000's)

Notes & acceptances	$ 79,447	$ 53,578
Accts. payable & accruals	62,695	39,218
Income taxes	8,344	6,232
Curr. Liabilities	$ 150,486	$ 99,028
Long-term debt	56,466	27,537
Bank indebtedness	2,737	2,864
Minority interests	4,331	209
+ Preferred stock	7,200	8,400
+ + Common stock	3,052	2,775
Add. paid-in capital	13,632	8,895
Retained earnings	14,473	13,685
Deferred emp. comp.	(2,737)	(2,864)
Total Liabilities & Shareholders' Equity	$ 249,640	$ 160,529

* Commodity inventories at lower of specific cost or market; inventories which are sold or hedged at net realizable value; unhedged forward contracts at lower of cost or market, net; fine jewelry at lower of cost or market by the retail method.
# Less accumulated depreciation and amortization.
+ $1 par value; $5 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.90	2.83
%Net Income to Sales	1.03	1.40
%Net Income to Equity	27.28	28.55
Sales to Inventories	5.62	5.74
Working Capital	$ 72,664,000	$ 45,514,000
Current Ratio	1.48	1.46
Shareholders' Equity	$ 28,420,000	$ 22,491,000

Kellwood Company

600 Kellwood Parkway
St. Louis, Missouri 63017
(314) 576-3100

Mailing address:

P.O. Box 14374
St. Louis, Missouri 63178

Officers: Fred W. Wenzel, chairman of the board & chief exec. officer; John R. Barsanti, Jr., president & chief operating officer; Howard M. Potratz, v.p.-marketing & business planning; H. Eugene Trotter, v.p.-corp. operations; James C. Jacobsen, v.p.-finance & treasurer; Charles W. Bartels, v.p.-personnel; Thomas F. O'Brien, Seth P. Slocum, Mack A. Gale, Eugene D. Johnson, George D. Rooney, Joseph P. Collins, v.p.'s; George B. Smolen, Robert A. Maddocks, v.p., secretary & general counsel; Grant C. Malchow, controller.

Directors: John R. Barsanti, Jr., James L. Krum, Richard P. Conerly, Edward M. Cummings, William L. Davis, James C. Jacobsen, William N. Kelley, James S. Marcus, Dolor P. Murray, Fred W. Wenzel.

Business Activities: Manufactures consumer products which include apparel for men, women and children and other soft goods for the home and for recreation. Also operates the Ashley's outlet stores which retail surplus merchandise and selected irregulars.

Operations:

Barclay Group
New Haven, Missouri
Metal goods, plastics, textile fabric conversion.

Men's and Children's Group
St. Louis, Missouri
Men's and children's apparel, including western outerwear, NFL vests and jeans, competition swimwear, jog suits, girl's fashion label pants, active outerwear and knit shirts. Plants located in: Sunbright, Alamo, Sparta, Trenton, Tn.; Albany, Ky; Calhoun City, Ackerman, Foffeeville, Grenada, Kilmichael and Oxford, Ms.; Del Rio, Tx.; Phil Campbell, Al.; Acuna, Mexico; Independence & Winnsboro, La.; Booneville, Wesson, Monticello & Brookhaven, Ms.; Fairbury, Neb.; Frederick, Idabel and Pauls Valley, Ok.; Rutherford, Shelbyville, Tn.; Spencer, W. Va.

Glendale Group
Siler City, North Carolina
Women's and children's hosiery. Plants located in: Newton, Siler City and Liberty, North Carolina; Twin Falls, Idaho.

Larchmont Group
St. Louis, Missouri
Women's intimate apparel. Plants located in: Fernwood, Summit, Liberty and McComb, Mississippi; Altus, Oklahoma; Mesa, Arizona; Alamo, Tennessee.

Radcliffe Group
St. Louis, Missouri
Women's outer apparel. Plants located in: Little Rock and Lonoke, Arkansas; Asheville and Charlotte, North Carolina; Dresden and Greenfield, Tennessee; Morgantown, Kentucky.

Judson Group
New Haven, Missouri
Camping and hiking equipment. Plants located in: New Haven, Bland and Glasgow, Missouri; St. George, Utah.

The Wenzel Company (subsidiary)
St. Louis, Missouri
Recreation equipment sales.

Kelty Pack, Inc. (subsidiary)
Sun Valley, California
Recreation equipment.

Stanfield Group
St. Louis, Missouri
Textile fabricated home fashions. Plants located in: Perry, Thomasville, Montezuma and Cuthbert, Georgia; Clinton, Oklahoma; Roanoke, Virginia; Lewisburg, West Virginia.

Grademark, Ltd. (subsidiary)
Atlanta, Georgia
Produces automated pattern markets, performs computerized pattern grading and can produce magnetic tape for automated cutting. Plants located in Miami, Florida & Atlanta, Georgia.

Applied Technology Management, Ltd. (subsidiary)
Training and consulting service to the apparel industry.

Page's Place, Inc. (subsidiary)
Mt. Airy, North Carolina
Women's apparel.

Perry Manufacturing Company (subsidiary)
Mount Airy, North Carolina
Women's and girls sportswear. Plants located in: Concord, Monroe, Mount Airy and Dobson, North Carolina; Elk Creek, Virginia.

Ashley Group
St. Louis, Missouri
Operates 92 retail outlet stores under the name "Ashley"

American Fiber-lite, Inc.
Marion, Illinois
Marine products. Plants in Marion, Illinois.

Acuna Ropa S.A. (subsidiary)
Acuna, Mexico
Children's apparel.

Bonded Fibre Products (Southern) Ltd. (affiliate)
Charlotte, North Carolina

Transfer Agent(s):

Mercantile Trust Company N.A.
St. Louis, Missouri 63166

Stock Exchange(s): New York

Ticker Symbol: KWD

Number of Stores: (at fiscal year end)

1980	92	1977	106
1979	92	1976	104
1978	95		

Sales and Earnings

	Net Sales	Net Income
1980	$545,568,000	$ 216,000
1979	521,119,000	4,388,000
1978	515,293,000	13,424,000
1977	456,635,000	9,622,000
1976	425,553,000	7,329,000

	No. of Com. Shares	Earn. per Share #
1980	3,459,034	$0.06
1979	3,437,144	1.28
1978	3,407,928	3.95
1977	3,375,898	2.85
1976	3,362,989	2.18

Based on average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Apparel	$ 377,892	$ 389,362
Other soft goods	139,252	108,330
Outlet stores	28,424	23,427
Total	$ 545,568	$ 521,119

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	–	–
1979	1.12	–	–
1978	1.02	–	–
1977	0.83	–	–
1976	0.80	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 77,202,000	$22.32
1979	79,515,000	23.13
1978	78,459,000	23.02
1977	68,046,000	20.16
1976	61,055,000	18.15

Income Account*

Year ended April 30	1980	1979
Net sales	$545,568,000	$521,119,000
Cost of sales	463,066,000	445,447,000
Expenses	55,397,000	50,625,000
Interest expense	20,152,000	17,212,000
Loss on dispos. of bus.	7,692,000	–
Income (loss) before taxes	$ (739,000)	$ 7,835,000
Income taxes (credit)	(955,000)	3,447,000
Net Income	$ 216,000	$ 4,388,000

* Included in Costs and Expenses, Depreciation and Amortization: $8,716,000 in 1980 and $7,900,000 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 2,398,000	$ 5,705,000
Receiv., net	56,852,000	59,000,000
Refundable taxes	954,000	2,732,000
*Inventories	192,540,000	169,233,000
Prepaid expenses	1,342,000	1,802,000

Current Assets	$254,086,000	$238,472,000
Investment info. affil.	20,015,000	—
#Fixed assets	62,873,000	59,311,000
Other assets	7,307,000	3,826,000
Total Assets	$344,281,000	$301,609,000

Liabilities

Notes payable	$109,000,000	$103,000,000
Long-term debt, curr.	6,256,000	7,086,000
Accts. payable	54,697,000	33,897,000
Accruals	25,649,000	16,985,000
Dividends payable	692,000	962,000
Curr. Liabilities	$196,294,000	$161,930,000
Long-term debt	66,849,000	56,334,000
Deferred income	3,936,000	3,830,000
+Common stock	8,937,000	8,697,000
Retained earnings	68,265,000	70,818,000
Total Liabilities & Shareholders' Equity	$344,281,000	$301,609,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	—	1.50
%Net Income to Sales	0.04	0.84
%Net Income to Equity	0.28	5.52
Sales to Inventories	2.83	3.08
Working Capital	$ 57,792,000	$ 76,542,000
Current Ratio	1.29	1.47
Shareholders' Equity	$ 77,202,000	$ 79,515,000

Kelly, Douglas & Company, Limited

4700 Kingsway
Burnaby, British Columbia, Canada
(604) 435-1444

Officers: W. Galen Weston, chairman & chief executive officer; R. J. Addington, president & chief operating officer; K. W. Campbell, sr. v.p.-administration & secretary; S. K. Darkazanli, sr. v.p.-corporate development; G. A. Birks, v.p.-real estate & development; Earie Barbour, v.p.-distribution services; M.D. Booty, sr. v.p. & chief operating officer-Prairie Div.; D. G. Gibbs, v.p. & controller; V. Hobson, v.p.-engineering & construction; D. M. McLellan, sr. v.p. & chief operating officer-B.C. Div.; J. Rea, v.p.-B.C. wholesale operations; J. S. Stanton, v.p.-personnel & industrial relations; K.B. Williams, v.p.-merchandising; T. M. Dyer, treasurer.

Directors: W. Galen Weston, Raymond J. Addington*, Richard J. Currie*, F. Mildred Douglas, James T. Fraser*, Charles M. Humphrys*, S. Simon Reisman, David A. Nichol, C. Francis Murphy.

*Member of Executive Committee.

Business Activities: Engaged primarily in the wholesale and retail distribution of food and drug products, and in dairy operations, operating in Western Canada, Colorado and New Mexico.

Divisions & Subsidiaries:

Fairview Farms Limited
Foremost Foods Ltd.
W. H. Malkin Ltd.
Meteor Meat Co. Ltd.
K. D. Properties Ltd.
R. E. Sang Ltd.
Westfair Foods Ltd.
  Dominion Fruit Ltd.
  Ensign Stores Limited
  O. K. Economy Stores Ltd.
Western Grocers Inc.
  Grocers Equipment Inc.
  W.G. Property Inc.
  Westfair Properties Ltd.
  Westfair Wholesale Properties Ltd.
Western Commodities Ltd.

Transfer Agent(s):

National Trust Company, Limited
Toronto, Montreal & Vancouver, Canada

Stock Exchange(s): Toronto, Vancouver

Ticker Symbol: KLDQ (Toronto), KLDO (Vancouver)

Sales and Earnings

	Net Sales	Net Income‡
1979	$1,323,772,000	$ 16,223,000
1978	1,171,327,000	11,606,000
1977	1,027,088,000	9,848,000
1976	938,670,000	13,353,000
1975*	813,911,000	8,728,000

	No. of Com. Shares#	Earn. per Share#‡
1979	6,327,099	$2.56
1978	6,327,099	1.83
1977	6,327,099	1.56
1976	6,327,099	2.11
1975*	6,327,099	1.59

* 53 weeks.
‡ Including extraordinary gains of $4,900,000 ($0.77 per share) in 1979, $966,000 ($0.15 per share) in 1978, $245,000 ($0.04 per share) in 1977, $5,130 ($0.81 per share) in 1976 and $801,000 ($0.15 per share) in 1975.
# Based on class A and B shares combined.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.35	—	—
1978	0.35	—	—
1977	0.35	—	—
1976	0.35	—	—
1975	0.25	—	—

‡ Paid on Class A shares.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$122,654,000	$19.39
1978	108,094,000	17.08
1977	98,151,000	15.51
1976	89,966,000	14.22
1975	78,276,000	12.37

‡ Based on Class A and B stock combined.

Income Account
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 1,323,772	$ 1,171,327
Investment income	3,386	2,379
Total income	$ 1,327,158	$ 1,173,706
Cost of sales	1,129,135	987,174
Expenses	159,696	147,581
Depreciation & amortization	6,819	6,458
Lease payments	7,472	9,019
Interest expense	3,387	2,095
Income before taxes	$ 20,649	$ 21,379
Income taxes	9,148	10,551
Minority interest	178	188
Net Income	$ 11,323	$ 10,640
Extraord. gain	4,900	966
Net Income & extraord. gain	$ 16,223	$ 11,606

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 393	$ 756
Accts. receiv., net	47,719	50,687
*Inventories	96,343	82,184
Prepaid expenses	2,058	1,768
Current Assets	$ 146,513	$ 135,395
#Fixed assets	63,571	56,000
Investments & other assets	10,856	9,781
Fixed assets under cap. lease	1,875	—
Defer. charges & intangibles	1,295	1,401
Total Assets	$ 224,110	$ 202,577

Liabilities
(000's)

Notes payable & advances	$ 432	$ 5,204
Long-term debt, curr.	177	407
Cap. lease oblig., curr.	76,797	—
Acct. payable & accruals	822	62,684
Income taxes	23	4,569
Curr. Liabilities	$ 78,251	$ 72,864
Long-term debt	13,985	14,955
Cap. lease oblig.	1,891	—
Minority interest	1,918	2,183
Deferred inc. taxes	4,591	3,796
Deferred income	820	685
+Class A shares	41,717	41,717
+Class B shares	1,636	1,636
Retained earnings	79,301	64,741
Total Liabilities & Shareholders' Equity	$ 224,110	$ 202,577

* Retail store inventories are stated at the lower of cost and net realizable value less normal profit margin.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.56	1.83
%Net Income to Sales	0.86	0.91
%Net Income to Equity	9.23	9.84
Sales to Inventories	13.74	14.25
Working Capital	$ 68,262,000	$ 62,531,000
Current Ratio	1.87	1.86
Shareholders' Equity	$122,654,000	$108,094,000

Kelly-Deyong Sound Corporation Ltd.

(99% controlled by Steintron International Electronics Ltd.)

2145 West Broadway
Vancouver, British Columbia V6K 2C7, Canada
(604) 736-7636

Officers: K. Stein, chairman of the board; R.L. McQuarrie, president; J.V. Van Slyke, v.p.-finance.

Directors: B.N. Tessler, R.L. McQuarrie, Karl Stein, J. Lutes, J.V. Van Slyke.

Areas of Work: Engaged in the retailing, distribution, franchising, and custom product manufacturing of consumer electronic products such as stereo players, speakers, stereo cassette and eight track players, etc. Corporate owned stores, operating under the name Kelly's Stereo Marts, are located in British Columbia, Alberta, Manitoba, Saskatchewan, Ontario, Nova Scotia, New Brunswick and Prince Edward Island.

Subsidiaries:

Pro-Sound Distributors Ltd.
Kelly's Stereo Mart Franchises Ltd.
Claude Crocker's Music Centre Ltd.
Trio Merchandisers Ltd.
Pro-Linear Acoustics Ltd.
International Discount Records Ltd.
Kelly's on Seymour Ltd.
Akai Audio Video Canada Inc. (51% owned)

Transfer Agent(s):

Yorkshire Trust Co.
900 West Pender Street
Vancouver, British Columbia, Canada

Stock Exchange(s): Vancouver

Ticker Symbol: KYGV

Number of Stores*: (at fiscal year end)

1979	31	1976	28
1978	39	1975	31
1977	34		

* Company owned only.

Sales and Earnings

	Net Sales	Net Income ‡
1979	$ 55,957,000	$ 781,000
1978	50,145,000	173,000
1977	45,669,978	797,266
1976	36,371,299	544,665
1975	28,080,899	735,371

	No. of Com. Shares	Earn. per Share ‡
1979	954,700	$0.82
1978	954,700	0.18
1977	954,700	0.84
1976	954,700	0.57
1975	954,700	0.77

‡ Including extraordinary gain of $247,000 ($0.26 per share) in 1979.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 5,542,000	$5.80
1978	4,761,000	4.99
1977	4,587,723	4.81
1976	3,790,457	3.97
1975	3,245,792	3.39

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$ 55,957,000	$ 50,145,000
Cost of sales	42,209,000	38,157,000
Expenses	12,725,000	11,797,000
Income before taxes	$ 1,023,000	$ 191,000
Income taxes	303,000	18,000
Minority interest	186,000	—
Net Income	$ 534,000	$ 173,000
Extraord. gain	247,000	—
Net Income & Extraord Gain	$ 781,000	$ 173,000

* Included in Costs and Expenses, Depreciation and Amortization: $272,000 in 1979 and $222,000 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 14,000	$ 58,000
Marketable securities	31,000	31,000
Accts. receiv., net	3,582,000	3,016,000
*Inventories	9,288,000	11,183,000
Recov. inc. taxes	—	201,000
Prepaid exp.	170,000	110,000
Deferred inc. taxes	23,000	—
Current Assets	$ 13,108,000	$ 14,599,000
#Fixed assets	686,000	689,000
Total Assets	$ 13,794,000	$ 15,288,000

Liabilities

Notes payable	$ —	$ 824,000
Accts. payable & accruals	4,982,000	7,929,000
Income taxes	125,000	—
Due to parent Co.	2,717,000	1,753,000
Curr. Liabilities	$ 7,824,000	$ 10,506,000
Deferred inc. taxes	—	21,000
Minority interest	428,000	—
+Common stock	2,064,000	2,064,000
Retained earnings	3,478,000	2,697,000
Total Liabilities & Shareholders' Equity	$ 13,794,000	$ 15,288,000

* At lower of cost (moving average basis) or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.83	0.38
%Net Income to Sales	0.95	0.34
%Net Income to Equity	9.64	3.63
Sales to Inventories	6.02	4.48
Working Capital	$ 5,284,000	$ 4,093,000
Current Ratio	1.68	1.39
Shareholders' Equity	$ 5,542,000	$ 4,761,000

Kenwin Shops, Inc.

505 Eighth Avenue
New York, New York 10018
(212) 695-1850

Officers: Irwin Moskowitz, president; Ira Abramson, v.p. & secretary; Richard Moskowitz, v.p. & asst. secretary; Robert Schwartz, v.p. & asst. treasurer; Kenneth Silberstein, treasurer.

Directors: Irwin Moskowitz, chairman; Ira Abramson, Kenneth Silberstein, Martin L. Conrad, Henry Krauss.

Business Activities: Operates a chain of ladies' and children's apparel shops which are concentrated in the South, under the names Kenwin, Smart & Thrifty, and Blends 'N Trends.

Transfer Agent(s):

Chase Manhattan Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: KWN

Number of Stores: (at fiscal year end)

1979	213	1976	195
1978	206	1975	187
1977	201		

Sales and Earnings

	Net Sales	Net Income
1979	$ 21,015,081	$ 982,161
1978	18,896,621	948,499
1977	17,537,155	803,465
1976	16,571,958	736,074
1975	13,899,434	501,130

	No. of Com. Shares‡	Earn. per Share‡
1979	459,022	$2.14
1978	459,022	2.07
1977	459,022	1.75
1976	459,022	1.60
1975	460,332	1.09

‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.92	—	—
1978	0.705	—	—
1977	0.52	—	—
1976	0.34	—	—
1975	0.34	—	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ 7,289,689	$15.88
1978	6,729,828	14.66
1977	6,104,939	13.30
1976	5,538,769	12.07
1975	4,958,422	10.77

‡ Based on the weighted average number of shares outstanding.

Income Account*

Year ended	12/30/79	12/31/78
Net sales	$ 21,015,081	$ 18,896,621
Cost of sales	12,292,249	11,126,925
Expenses	6,637,828	5,772,043
Losses on store clos.	33,032	6,735
Depreciation & amortization	229,811	193,419
Income before taxes	$ 1,822,161	$ 1,797,499
Income taxes	840,000	849,000
Net Income	$ 982,161	$ 948,499

* Included in Costs and Expenses, Depreciation and Amortization: $229,811 in 1979 and $193,419 in 1978.

Assets

As of Dec. 31	12/30/79	12/31/78
Cash	$ 1,297,017	$ 1,493,409
United States Treasury Bill	297,000	297,946
Accts. receiv., net	2,676,768	2,345,424
*Inventories	2,864,971	2,709,629
Prepaid expenses	100,165	59,573
Current Assets	$ 7,235,921	$ 6,905,981
#Fixed assets	1,261,155	1,072,165
Other assets	61,284	70,294
Total Assets	$ 8,558,360	$ 8,048,440

Liabilities

Accts. payable	$ 533,810	$ 466,351
Accruals	361,264	275,290
Customer deposits	168,913	179,352
Income taxes	—	143,320
Other taxes	200,876	225,985
Curr. Liabilities	$ 1,264,863	$ 1,290,298
Deferred inc. taxes	3,808	28,314
+Common stock	464,212	464,212
Add. paid-in capital	632,130	632,130
Retained earnings	6,209,196	5,649,335
Treasury stock	(15,849)	(15,849)
Total Liabilities & Shareholders' Equity	$ 8,558,360	$ 8,048,440

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.67	9.51
%Net Income to Sales	4.67	5.02
%Net Income to Equity	13.47	14.09
Sales to Inventories	7.34	6.97
Working Capital	$ 5,971,058	$ 5,615,683
Current Ratio	5.72	5.35
Shareholders' Equity	$ 7,289,689	$ 6,729,828

King Kullen Grocery Co., Inc.

1194 Prospect Avenue
Westbury, New York 11590
(516) 333-7100

Officers: Walter H. Miller, chairman of the board & president; John J. Clarke, v.p. -labor relations; John B. Cullen, vice president-security & treasurer; Thomas R. Gerrity, v.p.-meat; George P. Steinmetz, v.p.-construction; Bernard D. Kennedy, v.p.-merchandising; John P. Pardini, v.p.-store operations; Philip A. La Rocca, v.p.-produce; Ralph F. Hayden, v.p.-finance & secretary; Joseph E. Eck, controller.

Directors: Walter H. Miller, chairman; John B. Cullen, Ralph F. Hayden, Bernard D. Kennedy, Vincent L. Pitaro, Charles V. Skoog, Jr.

Business Activities: Operates a chain of supermarkets in Long Island, Brooklyn and Queens.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KKUL (NASDAQ)

Number of Stores: (at fiscal year end)

1979	53	1976	47
1978	50	1975	45
1977	50		

Sales and Earnings

	Net Sales	Net Income‡
1979	$318,363,648	$ 1,843,077
1978	281,038,853	1,952,334
1977	249,943,965	1,626,460
1976	222,894,087	1,560,887
1975	192,207,824	2,725,777

	No. of Com. Shares	Earn. per Share‡
1979	688,121	$2.68
1978	686,621	2.85
1977	685,121	2.36
1976	708,621	2.21
1975	707,121	3.59

‡ Including extraordinary gain of $836,648 ($1.10 per share) in 1975.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.60	–	–
1978	0.50	–	–
1977	0.50	–	–
1976	0.50	–	–
1975 Class A	0.50	–	–
Class B	0.005	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 22,977,288	$33.39
1978	21,573,559	31.46
1977	19,959,223	29.13
1976	18,886,363	26.65
1975	17,724,747	25.07

Income Account*

Year ended	9/29/79	9/30/78
Net sales	$318,363,648	$281,038,853
Cost of sales	253,792,334	223,750,433
Expenses	61,026,914	53,374,632
Oper. profit	$ 3,544,400	$ 3,913,788
Other expense	215,283	152,906
Income before taxes	$ 3,329,117	$ 3,760,882
Income taxes	1,486,040	1,808,548
Net Income	$ 1,843,077	$ 1,952,334

* Included in Costs and Expenses, Depreciation $2,105,879 in 1979 and $1,852,060 in 1978.

Assets

As of	9/29/79	9/30/78
Cash	$ 3,401,839	$ 3,477,947
Accts. receiv., net	1,170,982	940,290
*Inventories	18,527,352	16,995,985
Current Assets	$ 23,100,173	$ 21,414,222
#Fixed assets	16,116,330	14,130,015
Other assets	1,457,259	1,709,915
Total Assets	$ 40,673,762	$ 37,254,152

Liabilities

Notes payable	$ 119,000	$ —
Accts. payable	12,718,091	14,213,381
Income taxes	101,018	387,046
Other taxes	3,506,716	2,910,799
Curr. Liabilities	$ 16,444,825	$ 14,511,226
Deferred inc. taxes	1,251,649	1,169,367
+Common stock: Class A	688,121	686,621
Add. paid-in capital	2,886,910	2,866,285
Retained earnings	19,499,757	18,069,028
Treasury stock	(97,500)	(48,375)
Total Liabilities & Shareholders' Equity	$ 40,673,762	$ 37,254,152

* Store inventories valued by the retail method at cost (LIFO); warehouse inventories at average cost (LIFO).
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.05	1.34
%Net Income to Sales	0.58	0.69
%Net Income to Equity	8.02	9.05
Sales to Inventories	17.18	16.54
Working Capital	$ 6,655,348	$ 6,902,996
Current Ratio	1.40	1.48
Shareholders' Equity	$ 22,977,288	$ 21,573,559

King's Department Stores, Inc.

150 California Street
Newton, Massachusetts 02158
(617) 969-6600

330 West 34th Street
New York, New York 10001
(212) 695-8050

Officers: Sol Kittay, chairman of the board, president & chief executive officer; F. Walter Erich, sr. v.p.-treasurer; Hugh D. Rogovin, sr. v.p.-real estate; Nathan Greenberg, v.p. & secretary; Paul K. Bready, v.p.-store operations; Albert J. Buczko, v.p.-sales promotion; Andrew Senatore, v.p.-personnel; Robert E. Slattery, v.p.-management info. systems; William H. McAuley v.p.-security & control.

Directors: Morton S. Fisher*, Nathan Greenberg*, Charles J. Kittredge, F. Walter Erich*, Philip L. Lowe, Jack Brier, Steven J. Green, William Hellman, W. Duke Kimbrell, Sol Kittay, Max Rohrlich.

* Member of Executive Committee.

Business Activities: Operates a chain of department stores in Massachusetts, Connecticut, New York, New Jersey, Florida, Maine, New Hampshire, North Carolina, Ohio, Rhode Island, Pennsylvania, Vermont, Virginia, Indiana, Delaware, Maryland, Kentucky and Tennessee.

Subsidiaries:

Coronet Cosmetics, Inc.
150 California Street
Newton, Massachusetts 02158
(617) 969-6600

Miracle Mart, Inc.

Acquisition(s):

Mammoth Mart, Inc.
Operates a chain of discount department stores.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific

Ticker Symbol: KDT

Number of Stores: (at fiscal year end)

1980	190	1977	121
1979	187	1976	114
1978	183		

Sales and Earnings

	Net Sales	Net Income †
1980*	$572,821,000	$ 15,494,000
1979	531,515,000	15,067,000
1978	462,640,000	15,728,000
1977	325,227,000	12,390,000
1976	301,035,000	9,313,000

	No. of Com. Shares	Earn. per Share ‡†
1980*	7,401,000	$2.08
1979	7,558,000	2.00
1978	7,517,000	2.10
1977	7,503,000	1.66
1976	7,482,000	1.21

* 53 weeks.
† Including extraordinary loss of $610,000 ($0.08 per share) in 1978.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.875	—	—
1979	0.75	—	—
1978	0.60	—	—
1977	0.525	—	—
1976	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 93,604,000	$12.65
1979	86,697,000	11.47
1978	77,058,000	10.25
1977	65,742,000	8.76
1976	57,112,000	7.63

Income Account
(000's)

Year ended	2/2/80 (53 weeks)	1/27/79
Net sales	$ 572,821	$ 531,515
Other income	4,020	4,101
Total income	$ 576,841	$ 535,616
Cost of sales	380,937	354,937
Expenses	154,142	137,733
Depreciation & amortization	8,421	8,115
Interest expense	5,985	6,570
Income before taxes	$ 27,356	$ 28,261
Income taxes	11,862	13,194
Net Income	$ 15,494	$ 15,067

Assets
(000's)

As of	2/2/80	1/27/79
Cash	$ 2,316	$ 1,419
Marketable securities	15,069	29,817
Receiv., net	1,535	3,165
*Inventories	109,943	92,211
Prepaid expenses	3,315	983
Current Assets	$ 132,178	$ 127,595
#Fixed assets	70,073	71,500
Other assets	8,440	7,829
Total Assets	$ 210,691	$ 206,924

Liabilities
(000's)

Long-term debt, curr.	$ 2,739	$ 696
Cap. lease oblig., curr.	4,204	3,987
Accts. payable	16,900	17,045
Accruals	9,789	8,047
Income taxes	4,216	3,718
Curr. Liabilities	$ 37,848	$ 33,493
Long-term debt	28,612	31,936
Cap. lease oblig.	49,261	53,464
Deferred compensation	1,366	1,334
+Common Stock	7,828	7,809
Add. paid-in capital	2,940	2,830
Retained earnings	86,657	77,690
Treasury stock	(3,821)	(1,632)
Total Liabilities & Shareholders' Equity	$ 210,691	$ 206,924

* At LIFO retail method.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.78	5.32
%Net Income to Sales	2.70	2.83
%Net Income to Equity	16.55	17.38
Sales to Inventories	5.21	5.76
Working Capital	$ 94,330,000	$ 94,102,000
Current Ratio	3.49	3.81
Shareholders' Equity	$ 93,604,000	$ 86,697,000

Kobacker Stores, Inc.
(formerly KB Marketing Systems, Inc.)

6606 Tussing Road
P.O. Box 27935
Columbus, Ohio 43227
(614) 864-7700

Officers: Arthur J. Kobacker, chairman of the board, treasurer & chief executive officer; Marvin S. Kobacker, vice chairman; Paul C. Herreid, president & chief operating officer, Paul R. Happ, v.p.-advertising; Michael T. Keehan, v.p.-human resources; Lynn A. Hart, corp. v.p.; John E. Lattanzio, v.p.-sales & gen. merch. mgr.-Self Service Shoe Div.; Joseph J. Mastilak, v.p.-mngmnt. info. services; George M. Morris, v.p. & pres.-Pix of America, Inc.; Albert F. Gentile, v.p.-store operations, Pix of America, Inc.; L.L. Walker, Jr., v.p.-administration & controller, Pix of America, Inc.; Asher Moser, v.p.-store operations, Self Service Shoe Div.; H. Ronald Piel, v.p.-accounting & controller.

Directors: Arthur J. Kobacker, chairman; Lynn A. Hart, Paul C. Herreid, Marvin S. Kobacker, John E. Lattanzio.

Business Activities: Engaged in the business of selling shoes in self-service family shoe stores under the names "Pic-Way Self-Service Shoe Marts", "Koby's" and "Pix". The stores are located in metropolitan areas in California, Maryland, New Jersey, New York, North Carolina, Ohio, Indiana, Illinois, Kentucky, Wisconsin, Pennsylvania, Michigan, Florida, Georgia, Texas, Tennessee, Virginia and West Virginia.

Division & Subsidiaries:

Self Service Shoe Division
Operates 282 Self-Service Shoe Stores in 15 states.

Pix of America, Inc.
Operates 43 Self-Service Shoe Stores in Florida, Georgia and Texas.

Kobacker Public Warehousing Corporation
Brilliant City Advertising, Inc.
Alpeg Import Co., Inc.
Epko Shoes, Inc.

Transfer Agent(s):

Pittsburgh National Bank
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	325	1977	215
1979	307	1976	208
1978	239		

Sales and Earnings

	Net Sales	Net Income
1980	$112,157,000	$ 3,023,000
1979	83,575,000	3,222,000
1978	63,005,000	2,821,000
1977	55,297,000	2,109,000
1976	49,968,000	1,708,000

	No. of Com. Shares #	Earn. per Share #
1980	1,675,730	$1.80
1979	1,685,254	1.91
1978	1,750,170	1.61
1977	1,784,901	1.13
1976	1,763,745	0.88

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.33⅓	—	3-for-1
1978	0.28⅓	—	—
1977	0.16⅔	—	—
1976	0.44⅓	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 14,464,000	$8.64
1979	12,239,000	7.26
1978	9,579,000	5.68

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 112,157	$ 83,575
Cost of sales	63,173	46,433
Expenses	40,913	29,247
Oper. profit	$ 8,071	$ 7,895
Other income	(697)	(335)
Interest expense	3,178	1,919
Income before taxes	$ 5,590	$ 6,311
Income taxes	2,567	3,089
Net Income	$ 3,023	$ 3,222

* Included in Costs and Expenses, Depreciation and Amortization: $1,806,000 in 1980 and $1,395,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 3,230	$ 3,393
Accts. & notes receiv., net	1,100	461
Refund. inc. taxes	526	—
*Inventories	35,105	27,724
Prepaid expenses	1,003	1,001
Real estate held for resale	2,196	1,394
Current Assets	$ 43,160	$ 33,973
Construction fund assets	1,698	77
#Fixed assets	13,329	11,665
Prop. held under cap. leases	11,279	9,229
Other assets	1,195	968
Total Assets	$ 70,661	$ 55,912

Liabilities
(000's)

Long-term debt, curr.	$ 1,242	$ 1,075
Bankers' acceptances	5,638	—
Cap. lease oblig., curr.	588	398
Accts. payable	11,358	9,640
Accruals	1,902	1,355
Accrued taxes	675	420
Accrued payroll	1,845	1,589
Income taxes	311	736
Curr. Liabilities	$ 23,559	$ 15,213
Long-term debt:		
Notes payable	8,400	6,500
Sink. fund debent.	4,100	4,475
Ind. rev. bonds	6,490	3,980
Mortg. payable	1,926	1,975
Other debt	88	58
Subord. debt	183	2,084
Deferred credit	89	238
Oblig. under cap. leases	11,362	9,150
+Common stock	167	169
Add. paid-in capital	1,885	1,885
Retained earnings	12,412	10,185
Total Liabilities & Shareholders' Equity	$ 70,661	$ 55,912

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.98	7.55
%Net Income to Sales	2.70	3.86
%Net Income to Equity	20.90	26.33
Sales to Inventories	3.19	3.01
Working Capital	$ 19,601,000	$ 18,760,000
Current Ratio	1.83	2.23
Shareholders' Equity	$ 14,464,000	$ 12,239,000

The Kroger Co.

1014 Vine Street
Cincinnati, Ohio 45201
(513) 762-4000

Officers: Lyle Everingham, president, chairman of the board & chief exec. officer; John A. Cornett, William G. Kagler, sr. v.p.'s; George W. Keith, v.p. & president-SupeRx Drug Stores; George A. Leonard, v.p., secretary & general counsel; Raymond F. Abaray, William J. Sinkula, Robert W. Braunschweig, Arthur Juergens, Robert E. Saffron, v.p.'s; William W. Oliver, John L. Strubbe, Richard M. Koster, Charles L. Thomas, group v.p.'s; Irle R. Hicks, treasurer.

The Kroger Co.

Directors: Morley P. Thompson, Jackson C. Hinds, Philip E. Beekman, Lyle Everingham, James P. Herring, T. Ballard Morton, Jr., W. George Pinnell, R. Nelson Shaw, Edward D. Smith, William D. Atteberry, Russell L. Wagner, John D. Ong, Patricia Shontz Longe, Thomas H. O'Leary, Raymond B. Carey, Jr.

Business Activities: Operates a chain of retail supermarkets and drug stores; also conducts food processing operations. Supermarkets are located in 21 states, primarily in the Midwest and South; drug stores are located in 21 states.

Division(s):

Kroger Food Stores
SupeRx Drug Stores
Kroger Manufacturing
all located at:
1014 Vine Street
Cincinnati, Ohio 45201
(513) 762-4000

Transfer Agent(s):

The First National Bank of Cincinnati
111 East Fourth Street
Cincinnati, Ohio 45202

Stock Exchange(s): New York

Ticker Symbol: KR

Number of Stores: (at fiscal year end)

	Supermarkets	Drug
1979	1,234	504
1978	1,202	487
1977	1,188	528
1976	1,173	558
1975	1,220	551

Sales and Earnings

	Net Sales	Net Income †
1979	$9,029,314,683	$ 85,720,819
1978	7,828,071,073	84,596,086
1977	6,747,553,000	60,023,000
1976*	6,182,991,000	47,925,000
1975	5,421,296,000	34,057,000

	No. of Com. Shares	Earn. per Share †‡
1979	27,612,000	$3.13
1978	27,262,000	3.11
1977	27,124,000	2.22
1976*	27,013,000	1.78
1975	26,978,000	1.26

* 53 weeks.
† Restated to reflect change in accounting method.
‡ Based on average number of common shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978
Food	$8,462,000,000	$7,306,000,000
Drug stores	567,000,000	522,000,000
Total	$9,029,000,000	$7,828,000,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.26	–	2-for-1
1978	0.89	–	–
1977	0.76	–	–
1976	0.69	–	–
1975	0.68	–	–

Common Stock Equity

	Total Equity †	Equity Per Share †
1979	$611,328,222	$22.14
1978	554,507,000	20.34
1977	489,972,000	18.06
1976	455,273,000	16.85
1975	423,721,000	15.71

† Restated to reflect change in accounting method.

Income Account

Year ended	12/29/79	12/30/78
Net sales	$9,029,314,683	$7,828,071,073
Cost of sales	7,056,034,715	6,084,004,439
Expenses	1,625,974,355	1,407,959,372
Rent expense	112,527,226	99,784,836
Depreciation & amortization	71,573,851	65,179,454
Div. & interest income	(12,687,778)	(12,096,623)
Interest expense	29,384,757	29,983,188
Income before taxes	$146,507,557	$153,256,407
Income taxes	60,786,738	68,660,321
Net Income	$ 85,720,819	$ 84,596,086

Assets

As of	12/29/79	12/30/78
Cash	$ 47,193,709	$ 28,467,068
Short-term invest.	10,880,289	105,000,867
Receivables	79,883,492	78,170,579
* Inventories	780,698,459	697,327,456
Store & gen. supplies	9,105,402	7,211,472
Prepaid & other curr. assets	33,067,607	27,711,028
Current Assets	$960,828,958	$943,888,470
Investments	71,838,177	70,066,984
# Fixed assets	725,219,603	621,291,543
Other assets	18,223,922	17,782,070
Total Assets	$1,776,110,660	$1,653,029,067

Liabilities

Long-term debt, curr.	$ 3,151,924	$ 3,852,000
Accts. payable	438,090,179	397,294,520
Accruals	227,820,904	194,792,043
Income taxes	41,079,247	55,952,352
Oblig. under cap. leases	3,056,664	2,730,716
Curr. Liabilities	$713,198,918	$654,621,631
Long-term debt	233,936,520	223,736,000
Oblig. under cap. leases	106,054,750	105,131,119
Employee benefit fund	26,915,250	28,789,251
Deferred inc. taxes	84,677,000	86,244,000
+ Common stock	94,749,364	91,897,801
Retained earnings	534,810,575	483,614,192
Treasury stock	(6,533,765)	(9,658,091)
Loss on equity securities	(11,697,952)	(11,346,836)
Total Liabilities & Shareholders' Equity	$1,776,110,660	$1,653,029,067

* At lower of cost (Retail and LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.62	1.96
%Net Income to Sales	0.95	1.08
%Net Income to Equity	14.02	15.26
Sales to Inventories	11.57	11.23
Working Capital	$247,630,040	$289,266,839
Current Ratio	1.35	1.44
Shareholders' Equity	$611,328,222	$554,507,000

Kuhn's—Big K Stores Corp.

P.O. Box 5867
245 Great Circle Road
Nashville, Tennessee 37228
(615) 242-6321

Officers: Jack W. Kuhn, chairman & chief executive officer; Gus D. Kuhn, Jr., president & chief operating officer; Gilbert S. Fox, exec. v.p. & secretary; Carl L. Goldstein, exec. v.p., treasurer & asst. secretary; Glynn H. Coryell, v.p. & chief financial officer; A. Faison Adams, v.p.-store operations; John D. Watkins, v.p. & general merch. mgr.

Directors: Jack W. Kuhn, Gus D. Kuhn, Jr., Gilbert S. Fox, Carl L. Goldstein, William F. Earthman, William W. Berry, Robert E. Gable, J. Owen Howell, Jr., John M. Jones, Duke J. Rose, Jay Solomon, Albert Werthan.

Business Activities: Operates 106 "Big K" discount department stores, 2 "Edwards" stores, and 8 "Kuhn's Variety" stores in Tennessee, Kentucky, Alabama, South Carolina, Georgia, Mississippi, Missouri and Arkansas.

Division(s):

Big K Division
Kuhn's Variety Division
Edward's Division

Transfer Agent(s):

Citibank, N.A.
New York, New York

Commerce Union Bank
Nashville, Tennessee

Stock Exchange(s): American

Ticker Symbol: KBK

Number of Stores: (at fiscal year end)

1979	116	1976	102
1978	138	1975	96
1977	136		

Sales and Earnings

	Revenues	Net Income
1979	$301,689,000	$ 1,738,000
1978	331,341,260	(417,747)
1977	278,426,144	3,726,480
1976	221,102,031	4,335,933
1975	183,249,124	3,472,602

	No. of Com. Shares #	Earn. per Share †
1979	2,581,595	$0.66
1978	2,581,595	–
1977	2,581,595	1.44
1976	2,579,750	1.66
1975	2,572,317	1.34

(Loss)
† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.
# Adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.150	–	–
1978	0.150	–	–
1977	0.138	–	–
1976	0.092	–	3-for-2
1975	0.067	–	–

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1979	$ 28,667,000	$11.10
1978	26,957,961	10.44
1977	27,791,717	10.77
1976	25,173,764	9.76
1975	21,061,745	8.19

‡ After allowing for preferred stock at par value.
+ Adjusted to reflect stock split.

Income Account*

Year ended	2/1/80	2/2/79
Revenues	$301,689,000	$331,341,260
Cost of sales	232,294,000	256,510,163
Expenses	61,939,000	67,044,252
Interest expense	4,518,000	4,784,592
Store closings	–	4,000,000
Income (loss) before taxes	$ 2,938,000	$ (997,747)
Income taxes (credit)	1,200,000	(580,000)
Net Income (Loss)	$ 1,738,000	$ (417,747)

* Included in Costs and Expenses, Depreciation and Amortization: $3,034,000 in 1979 and $3,208,000 in 1978.

Assets

As of	2/1/80	2/2/79
Cash	$ 2,146,000	$ 1,208,437
Short-term invest.	–	3,000,000
Receiv., net	535,000	286,830
*Inventories	63,011,000	60,223,824
Prepaid expenses	682,000	525,264
Deferred inc. taxes	173,000	800,000
Current Assets	$ 66,547,000	$ 66,044,355
#Fixed assets	20,984,000	23,219,542
Other assets	1,729,000	2,494,934
Total Assets	$ 89,260,000	$ 91,758,831

Liabilities

Notes payable	$ 2,000,000	$ –
Long-term debt & cap. leases, curr.	3,613,000	3,815,377
Accts. payable & other accruals	19,853,000	18,429,812
Accrued payroll	3,609,000	4,118,356
Income taxes	–	1,139,433
Res. for store closing	375,000	1,750,000
Curr. Liabilities	$ 29,450,000	$ 29,252,978
Oblig. under cap. leases	8,069,000	9,330,946
Long-term debt	21,541,000	23,353,446
Deferred compensation	221,000	202,500
Res. for store closing	901,000	2,250,000
+ Preferred stock	411,000	411,000
+ + Common stock	2,582,000	2,581,595
Add. paid-in capital	2,674,000	2,674,578
Retained earnings	23,411,000	21,701,788
Total Liabilities & Shareholders' Equity	$ 89,260,000	$ 91,758,831

* At lower of cost (LIFO) or market.
# Less accumulated depreciation & amortization.
+ $100 par value; 7% non-cumulative.
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Revenues	0.97	–
%Net Income to Revenues	0.58	–
%Net Income to Equity	5.98	–
Working Capital	$ 37,097,000	$ 36,791,377
Current Ratio	2.26	2.26
Shareholders' Equity	$ 29,078,000	$ 27,368,961

Lafayette Radio Electronics Corporation

111 Jericho Turnpike
Syosset, New York 11791
(516) 921-7700

Officers: Leonard D. Pearlman, chairman of the board; Robert Greenberg, president, chief executive officer & chief operating officer; George Cohen, v.p.-admn. & asst. secretary; Steve Jeffery, v.p.-sales & marketing; S. Allen Selby, v.p.-merchandising; Frank A. Brandi, v.p.-finance & asst. secretary; John H. Ball, secretary.

Directors: Leonard D. Pearlman, John H. Ball, Arthur Borden, Maxwell Bassett, Robert Greenberg, Albert Roth, E. Donald Shapiro, Roy Louis Slayton.

Business Activities: Operates a chain of retail stores in 15 states, a direct mail operation and an industrial sales division to sell consumer electronic, citizens' band and communications equipment. These products are also sold by independent dealers and franchised associate stores.

Division(s):

Mail Order Division
Company-Owned Stores Division
Associate Stores Division
Industrial Sales Division

All at:
111 Jericho Turnpike
Syosset, New York 11791
(516) 921-7700

Transfer Agent(s):

Registrar and Transfer Co.
140 Cedar Street
New York, New York 10006

Stock Exchange(s): American

Ticker Symbol: LAF

Number of Stores: (at fiscal year end)

	Company owned	Associate Stores
1979	8	300
1978	110	300
1977	116	325
1976	119	375
1975	111	375

Sales and Earnings

	Net Sales	Net Income
1979	$ 65,711,000	$ (14,565,000)
1978	75,889,000	(8,039,000)
1977	88,439,000	(3,621,000)
1976	99,425,000	2,915,000
1975	92,329,000	2,119,026

	No. of Com. Shares	Earn. per Share #
1979	2,174,097	$ –
1978	2,174,097	–
1977	2,199,097	–
1976	2,174,497	1.33
1975	2,333,297	0.91

(Loss)
Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$ –	–	–
1978	–	–	–
1977	0.26	–	–
1976	0.26	–	–
1975	0.065	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 10,479,000	$4.87
1978	25,044,000	11.52
1977	33,227,000	15.11
1976	37,254,000	17.13
1975	35,924,644	15.40

Income Account*

Year ended	6/30/79	7/1/78
Net sales	$ 65,711,000	$ 75,889,000
Cost of sales	52,664,000	58,979,000
Expenses	25,872,000	28,017,000
Interest expense	2,189,000	1,025,000
Gain on sale	(449,000)	–
Loss before taxes	$ (14,565,000)	$ (12,132,000)
Tax credit	–	(4,093,000)
Net Loss	$ (14,565,000)	$ (8,039,000)

* Included in Costs and Expenses, Depreciation: $786,000 in 1979 and $949,000 in 1978.

Assets

As of June 30	6/30/79	7/1/78
Cash	$ 2,340,000	$ 2,700,000
Receiv., net	2,471,000	4,167,000
*Inventories	20,186,000	35,130,000
Income tax refunds	–	3,786,000
Prepaid expenses & advances	1,081,000	1,055,000
Current Assets	$ 26,078,000	$ 46,838,000
#Fixed assets	4,770,000	6,354,000
Total Assets	$ 30,848,000	$ 53,192,000

Liabilities

Notes & import acceptances payable	$ 16,042,000	$ 24,235,000
Accts. payable	2,829,000	1,755,000
Accruals	1,498,000	2,158,000
Curr. Liabilities	$ 20,369,000	$ 28,148,000
+Common stock	2,450,000	2,450,000
Add. paid-in capital	2,612,000	2,612,000
Retained earnings	7,141,000	21,706,000
Treasury stock	(1,724,000)	(1,724,000)
Total Liabilities & Shareholders' Equity	$ 30,848,000	$ 53,192,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

Sales to Inventories	3.26	2.16
Working Capital	$ 5,709,000	$ 18,690,000
Current Ratio	1.28	1.66
Shareholders' Equity	$ 10,479,000	$ 25,044,000

M. H. Lamston, Inc.

212 Fifth Avenue
New York, New York 10010
(212) 689-3260

Officers: Burton Adelman, chairman of the board & president; Reginald W. Back, Albert Cappellini, Joseph Weintraub, Harold Blond, vice presidents; Anthony Naccarella, secretary-treasurer; Peter J. Civardi, Ethel Golden, Burton Goldstein, Helen Marchese, Sally Mogavero, Leo Novatt, Marlene Roscoe, James Williams, Robert Williams, John H. Wolham, asst. v.p.'s; Charles Mora, asst. secretary-treasurer.

Directors: Alphonsus J. Donahue, Jr., Herbert Heller, Jr., Andrew D. Heineman, Norman Butler, Burton Adelman, Frederic F. Marks, Alfred J. Phillips, Anthony Naccarella.

Business Activities: Operates a chain of variety department stores in Manhattan, Brooklyn, Bronx, White Plains, Queens and Garden City, New York. Also operates a store in New Jersey.

M. H. Lamston, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Boston, Over-the-Counter

Ticker Symbol: MHL (Boston), LAMS (NASDAQ)

Number of Stores: (at fiscal year end)

1980	31	1977	30
1979	31	1976	31
1978	30		

Sales and Earnings

	Net Sales	Net Income
1980	$ 34,804,391	$ 1,547,420
1979	31,340,595	1,158,595
1978	27,525,338	839,097
1977	25,063,735	628,074
1976	24,754,304	721,795

	No. of Com. Shares	Earn. per Share ‡
1980	310,000	$4.99
1979	311,336	3.71
1978	315,237	2.64
1977	320,620	1.93
1976	330,120	2.15

‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.625	–	–
1979	1.35	–	–
1978	1.10	–	–
1977	1.075	–	–
1976	1.00	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 7,203,078	$23.24
1979	6,184,626	19.86
1978	5,500,595	17.45
1977	5,078,689	15.84
1976	4,916,109	14.89

Income Account

Year ended Jan. 31	1980	1979
Net sales	$ 34,804,391	$ 31,340,595
Other income	275,482	169,305
Total income	$ 35,079,873	$ 31,509,900
Cost of sales	23,237,743	21,052,457
Expenses	8,130,662	7,502,540
Depreciation	406,148	374,097
Interest expense	–	1,511
Income before taxes	$ 3,305,320	$ 2,579,295
Income taxes	1,757,900	1,420,700
Net Income	$ 1,547,420	$ 1,158,595

Assets

As of Jan. 31	1980	1979
Cash & cert. of deposit	$ 605,093	$ 1,178,498
Marketable securities	1,650,000	700,000
*Inventories	4,087,279	3,805,550
Prepaid expenses & other	187,556	171,998
Current Assets	$ 6,529,928	$ 5,856,046
# Fixed assets	3,880,003	3,340,389
Future tax benefits & other assets	32,419	55,219
Total Assets	$ 10,442,350	$ 9,251,654

Liabilities

Accts. payable	$ 1,726,117	$ 1,631,315
Accruals	971,761	877,823
Income taxes	495,854	495,347
Current Liabilities	$ 3,193,732	$ 3,004,485
Deferred credits	45,540	62,543
+ Common stock	361,276	361,276
Add. paid-in capital	1,000,351	1,000,351
Retained earnings	6,534,599	5,491,431
Treasury stock	(693,148)	(668,432)
Total Liabilities & Shareholders' Equity	$ 10,442,350	$ 9,251,654

* At lower of cost (LIFO) or method.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.50	8.23
%Net Income to Sales	4.45	3.70
%Net Income to Equity	21.48	18.73
Sales to Inventories	8.52	8.24
Working Capital	$ 3,336,196	$ 2,851,561
Current Ratio	2.04	1.95
Shareholders' Equity	$ 7,203,078	$ 6,184,626

Lane Bryant, Inc.

11 West 42nd Street
New York, New York 10036
(212) 930-9200

Officers: Arthur Malsin, chairman of the board & chief executive officer; Steven B. Kaplan, president; Norman D. Blotner, senior vice president & secretary; Peter J. Canzone, sr. v.p.; Jules Silbert, executive vice president; Alan C. Black, vice president; Edward Sadok, sr. v.p. & treasurer.

Directors: Raphael Malsin, Arthur Malsin, Alan C. Black, James A. Harmon, Norman D. Blotner, Steven B. Kaplan, Robert D. Buzzell, Jules Silbert, Tilford C. Gaines, Allan P. Lucht, Helen M. Palley, Edward Sadok, Peter J. Canzone, Wilson A. Seibert, Jr.

Business Activities: Engaged primarily in the purchase, distribution and sales of special size apparel, shoes and accessories for women and girls, and to a minor degree in the sale of larger misses' regular sizes. Operates 192 retail stores under the name "Lane Bryant", 25 under the "Smart Size" name, and through a mail order division under the names "Lane Bryant", and "Lane Bryant Tall Collection." Also owns and operates the Coward chain, 19 family shoe stores and a catalog business offering men's, women's and children's footwear, and 4 retail stores under various names selling regular size women's apparel as well as the Lane Bryant special sizes. Also owns and operates OlofDaughters of Sweden, an importer of Scandinavian clogs and European fashion footwear whose merchandise is primarily sold in specialty and department stores. OlofDaughter operates one retail store in New York City.

Divisions & Subsidiaries:

Lane Bryant, Inc.
Lane Bryant Mail Order
1500 Broadway
New York, New York 10036
(212) 930-9700

Coward Shoe
16 East 34th Street
New York, New York 10016
(212) 686-2014

Acquisition(s):

OlofDaughters of Sweden, Inc.
350 Fifth Avenue
New York, New York
(212) 239-8408

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: LNY

Number of Stores: (at fiscal year end)

1980	245	1977	211
1979	220	1976	223
1978	210		

Sales and Earnings

	Net Sales +	Net Income
1980	$381,247,000	$ 10,634,000
1979*	365,551,951	10,529,032
1978	333,040,452	10,003,209
1977	313,594,819	8,160,989
1976	291,568,185	8,849,158

	No. of Com. Shares	Earn. per Share‡
1980	4,706,169	$2.25
1979	4,723,969	2.23
1978	4,723,969	2.12
1977	4,723,969	1.73
1976	4,723,969	1.87

* 53 weeks.
+ Of continuing operations only.
‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	–	–
1979	0.90	–	–
1978	0.80	–	–
1977	0.80	–	–
1976	0.72	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 98,630,000	$20.90
1979	92,954,548	19.68
1978	86,677,101	18.35
1977	80,453,068	17.03
1976	76,071,255	16.10

Income Account*

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$381,247,000	$365,551,951
Cost of sales	267,783,000	256,976,820
Expenses	92,816,000	87,806,810
Interest expense	791,000	711,000
Income before taxes	$ 19,857,000	$ 20,057,032
Income taxes	9,223,000	9,528,000
Net Income	$ 10,634,000	$ 10,529,032

* Included in Costs and Expenses, Depreciation and Amortization: $3,640,000 in 1980 and $3,404,648 in 1979.

Assets

As of	2/2/80	2/3/79
Cash	$ 15,266,000	$ 13,189,604
Accts. receiv., net	71,748,000	65,206,991
*Inventories	40,987,000	43,843,755
Prepaid expenses	7,047,000	5,720,098
Current Assets	$135,048,000	$127,960,448
# Fixed assets	29,132,000	25,623,755
Leased prop. under cap. leases	220,000	232,291
Total Assets	$164,400,000	$153,816,494

Liabilities

Notes & mortg. payable	$ 466,000	$ 460,490
Prepaid sales & consumers' credits	3,160,000	2,438,171
Accts. payable	24,770,000	22,332,472
Accruals	3,330,000	3,360,550
Dividends payable	1,177,000	1,062,906
Accrued income taxes	2,734,000	3,649,535
Deferred income taxes	11,370,000	10,576,000
Curr. Liabilities	$ 47,007,000	$ 43,880,124
Long-term debt:		
Notes	12,950,000	11,050,000
Mortg. payable	1,797,000	1,907,853
Oblig. under cap. leases	229,000	234,969
Deferred inc. taxes	3,787,000	3,789,000
+Common stock	21,112,000	21,111,687
Add. paid-in capital	78,693,000	72,779,244
Treasury stock	(1,175,000)	(936,383)
Total Liabilities & Shareholders' Equity	$164,400,000	$153,816,494

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.21	5.49
%Net income to Sales	2.79	2.88
%Net Income to Equity	10.78	11.33
Sales to Inventories	9.30	8.34
Working Capital	$ 88,041,000	$ 84,080,324
Current Ratio	2.87	2.92
Shareholders' Equity	$ 98,630,000	$ 92,954,548

Laneco, Inc.

1720 Butler Street
Easton, Pennsylvania 18042
(215) 253-7155

Officers: Raymond A. Bartolacci, president; Guido J. Bartolacci, exec. vice president & secretary; Anthony T. Bartolacci, sr. vice president; Charles S. Azzalina, v.p.; Frank A. Malone, v.p.-non-food; Raymond A. Bartolacci, Jr., treasurer; George Buchanan, controller; Bessie A. Smith, asst. secretary.

Directors: Raymond A. Bartolacci, Guido J. Bartolacci, Anthony T. Bartolacci, Norman A. Peil, Jr., Robert J. Davis, Brian G. Brockway, Charles S. Azzalina, George Buchanan.

Business Activities: Operates a chain of Lane Discount Department Stores and Food Lane Supermarkets in Eastern Pennsylvania and Western New Jersey.

Transfer Agent(s):

Registrar and Transfer Company
Jersey City, New Jersey

Stock Exchange(s): American

Ticker Symbol: LNC

Number of Stores: (at fiscal year end)

1979	24	1976	19
1978	18	1975	15
1977	18		

Sales and Earnings

	Net Sales +	Net Income
1979	$140,933,000	$ 2,195,000
1978*	116,872,000	1,692,000
1977	109,468,000	1,374,000
1976	106,841,000	957,000
1975	82,390,137	943,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	1,067,000	$2.06
1978	1,073,000	1.58
1977	1,079,000	1.27
1976	1,083,000	0.88
1975	1,086,000	0.87

* 53 weeks.
+ Includes other income.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1979	1978
Supermarkets	$110,029,000	$ 91,369,000
Discount dept. stores	29,849,000	24,683,000
Other leased prop.	670,000	612,000
General corporate	385,000	208,000
Total	$140,933,000	$116,872,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	5%	–
1978	0.16	–	–
1977	0.12	–	–
1976	0.08	–	–
1975	0.04	–	–

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 12,183,000	$11.42
1978	10,229,000	9.53
1977	8,730,000	8.09

† Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account

Year ended	9/29/79	9/30/78 (53 weeks)
Net sales	$138,569,000	$114,827,000
Other income	2,364,000	2,045,000
Total income	$140,933,000	$116,872,000
Cost of sales	116,377,000	95,827,000
Expenses	17,495,000	15,127,000
Depreciation	1,756,000	1,414,000
Interest expense	987,000	1,002,000
Income before taxes	$ 4,318,000	$ 3,502,000
Income taxes	2,123,000	1,810,000
Net Income	$ 2,195,000	$ 1,692,000

Assets

As of	9/29/79	9/30/78
Cash	$ 2,907,000	$ 3,166,000
* Inventories	13,168,000	10,372,000
Other curr. assets	1,317,000	853,000
Current Assets	$ 17,392,000	$ 14,391,000
Investment	297,000	120,000
# Fixed assets	19,860,000	15,991,000
Land for future develop.	500,000	461,000
Other assets	570,000	117,000
Total Assets	$ 38,619,000	$ 31,080,000

Liabilities

Long-term debt, curr.	$ 708,000	$ 691,000
Oblig. under cap. lease, curr.	71,000	65,000
Accts. payable	8,585,000	6,193,000
Accruals	838,000	778,000
Accrued payroll	1,773,000	1,304,000
Income taxes	677,000	651,000
Def. inc. taxes	22,000	32,000
Curr. Liabilities	$ 12,674,000	$ 9,714,000
Long-term debt	11,794,000	9,050,000
Oblig. under cap. lease	1,157,000	1,228,000
Deferred inc. taxes	706,000	788,000
Other liabilities	105,000	71,000
+ Common stock	1,093,000	1,042,000
Add. paid-in capital	2,251,000	1,921,000
Retained earnings	8,960,000	7,357,000
Treasury stock	(121,000)	(91,000)
Total Liabilities & Shareholders' Equity	$ 38,619,000	$ 31,080,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.12	3.05
%Net Income to Sales	1.58	1.47
%Net Income to Equity	18.02	16.54
Sales to Inventories	10.52	11.07
Working Capital	$ 4,718,000	$ 4,677,000
Current Ratio	1.37	1.48
Shareholders' Equity	$ 12,183,000	$ 10,229,000

Levitz Furniture Corporation

1317 N.W. 167th Street
Miami, Florida 33169
(305) 625-6421

Officers: Ralph Levitz, chairman of the board; Robert M. Elliott, president & chief exec. officer; John W. Duall, sr. v.p. & controller; Henry J. Morgan, sr. v.p. secretary & general counsel; Partick J. Nolan, sr. v.p.& treasurer; Allen H. Glick, sr. v.p.-marketing; Donald Mustain II, sr. v.p.-operations; Richard N. Hirneisen, v.p.-mgr. info-services; Frank W. Bonheim, v.p.-personnel; Eleanor Eckardt, v.p.-consumer relations; Robert E. Gorden, v.p.-advertising & sales promotion; Lucy J. Mazzoni, v.p.-office admin.; J. Thomas Pipkin, v.p.-assoc. relations; Kenneth R. Roe, Ronald A. Kaplan, George H. Bradley, Roger E. Milo, Fred R. Revalee, Bernard S. Yauch, Michael I. Ross, group v.p.'s; Gary R. Miller, asst. treasurer; Harry O. Boreth, David M. Devins, asst. secretaries.

Directors: Ralph Levitz*, chairman; Robert M. Elliott*, Bruce Leadbetter*, Robert Russell*, Leon J. Levitz*, Philip A. Levitz, Henry J. Morgan, John W. Duall, Patrick J. Nolan, Gerald M. Anderson, Jack R. Ackerman, Erik M. Giese*, Allen H. Glick.

* Member of Executive Committee.

Business Activities: Operates a nation-wide chain of "warehouse-showroom" furniture stores.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: LEV

Number of Stores: (at fiscal year end)

1980	74	1977	61
1979	70	1976	61
1978	70		

Sales and Earnings

	Net Sales	Net Income
1980	$546,580,000	$ 20,574,000
1979	498,194,000	16,293,000
1978	428,251,000	11,936,000
1977	372,667,000	5,214,000
1976	326,260,000	(1,430,000)

	No. of Com. Shares	Earn. per Share‡
1980	4,256,387	$4.84
1979	4,243,611	3.84

Levitz Furniture Corporation

1978	4,241,162	2.81
1977	4,240,031	1.23

(Loss)
‡ Based on the weighted average number of shares outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.90	–	–
1979	0.65	–	–
1978	0.20	–	1-for-4

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$122,718,000	$28.83
1979	105,828,000	24.94
1978	92,250,000	21.75
1977	87,750,000	20.70

‡ Adjusted to reflect stock split.

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 546,580	$ 498,194
Cost of sales	305,766	279,401
Expenses	188,734	172,806
Interest expense	13,483	14,520
Income before taxes	$ 38,597	$ 31,467
Income taxes	18,023	15,174
Net Income	$ 20,574	$ 16,293

* Included in Cost and Expenses, Depreciation and Amortization: $10,868,000 in 1979 and $10,152,000 in 1978.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 8,778	$ 7,711
Receiv., net	13,279	13,603
*Inventories	95,440	98,007
Prepaid expenses & deposits	2,492	2,483
Current Assets	$ 119,989	$ 121,804
#Fixed assets	89,329	73,232
Oblig. uncer cap. lease	94,156	97,256
Other assets	8,115	8,177
Total Assets	$ 311,589	$ 300,469

Liabilities
(000's)

	1980	1979
Notes payable	$ –	$ 7,000
Long-term debt, curr.	1,024	2,296
Current portion of oblig. under cap. leases	2,682	2,355
Accts. payable	26,726	27,122
Accruals & other liabilities	22,825	18,671
Income taxes	3,512	5,086
Deferred income taxes	137	621
Curr. Liabilities	$ 56,906	$ 63,151
Long-term debt	22,021	20,115
Oblig. under cap. leases	109,944	111,375
+Common stock	1,703	1,698
Add. paid-in capital	34,672	34,537
Retained earnings	86,343	69,593
Total Liabilities & Shareholders' Equity	$ 311,589	$ 300,469

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+$0.40 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.06	6.32
%Net Income to Sales	3.76	3.27
%Net Income to Equity	16.77	15.40
Sales to Inventories	5.73	5.08
Working Capital	$ 63,083,000	$ 58,653,000
Current Ratio	2.11	1.93
Shareholders' Equity	$122,718,000	$105,828,000

Lil' Champ Food Stores, Inc.

9 Acme Street
Jacksonville, Florida 32211
(904) 724-1661

Mailing address:

P.O. Box 8987
Jacksonville, Florida 32211

Officers: Julian E. Jackson, president & chairman of the board; Eddie K. Jackson, executive v.p.; Charles W. Travis, Victor P. Jackson, v.p.'s; John S. Duss, secretary & general counsel; Benjamin B. Bromberg, treasurer; James W. Crowell, controller; Gloria K. Wilson, asst. controller.

Directors: Julian E. Jackson, chairman; Alexander Brest, John S. Duss, Van Fletcher, Sr., Harvey Z. Shapiro, Charles W. Travis, Eddie K. Jackson, T. F. Cowart, Michel Deroy, Herman Liebmann, Jack H. Jones.

Business Activities: Operates a chain of convenience stores in Florida.

Transfer Agent(s):

Florida First National Bank of Jacksonville
Jacksonville, Florida

Stock Exchange(s): Over-the-Counter

Ticker Symbol: LCFS (NASDAQ)

Number of Stores: (at fiscal year end)

1979	130	1976	100
1978	122	1975	94
1977	108		

Sales and Earnings

	Net Sales	Net Income†
1979	$ 24,955,896	$ 945,170
1978	22,726,870	766,218
1977	21,005,999	647,256
1976	18,807,395	592,056
1975*	17,447,409	621,543

	No. of Com. Shares‡	Earn. per Share‡†
1979	670,613	$1.41
1978	670,613	1.14
1977	670,613	0.97
1976	670,613	0.88
1975*	670,613	0.93

* 53 weeks.
† Restated to reflect capitalizatin of leases.
‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	–	5%	–
1978	–	–	–
1977	–	5%	–

Common Stock Equity

	Total Equity	Equity Per Share†
1979	$ 6,586,774	$9.82
1978	5,800,395	8.65
1977	5,181,115	7.73
1976	4,660,509	6.95
1975	4,190,153	6.25

† Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account*

Year ended	4/28/79	4/28/78‡
Net sales	$ 24,955,896	$ 22,726,870
Other income	452,712	279,499
Total income	$ 25,408,608	$ 23,006,369
Cost of sales	16,624,796	15,458,232
Expenses	6,889,169	5,998,996
Interest expense	187,204	172,087
Income before taxes	$ 1,707,439	$ 1,377,054
Income taxes	762,269	610,836
Net Income	$ 945,170	$ 766,218

* Included in Costs and Expenses, Depreciation and Amortization: $435,147 in 1979 and $383,858 in 1978.
‡ Restated to reflect capitalization of leases.

Assets

As of	4/28/79	4/28/78‡
Cash	$ 700,252	$ 573,717
Cert. of deposit	313,624	–
Receiv., net	8,171	27,303
*Inventories	2,255,572	2,094,316
Prepaid expenses	104,161	177,612
Other assets	–	2,644
Current Assets	$ 3,381,780	$ 2,875,592
#Fixed assets	6,220,809	5,685,527
Leaseholds	370,570	411,311
Leased bldg. under capital lease	421,142	349,253
Other assets & defer. charges	772,766	736,934
Total Assets	$ 11,167,067	$ 10,058,617

Liabilities

	4/28/79	4/28/78‡
Notes payable	$ –	$ 200,000
Long-term debt, curr.	197,966	217,786
Accts. payable	1,960,950	1,429,817
Accruals	31,585	100,468
Accrued payroll	67,035	48,776
Oblig. under capital lease, curr.	9,712	8,934
Income taxes	150,175	88,679
Other taxes	169,686	129,728
Dividends payable	40,237	38,332
Other liabilities	58,286	23,524
Curr. Liabilities	$ 2,685,632	$ 2,286,044
Long-term debt	1,213,734	1,390,005
Oblig. under capital lease	451,336	365,555
Deferred inc. taxes	229,591	216,618
+Common stock	67,061	63,886
Add. paid-in capital	3,090,257	2,815,585
Retained earnings	3,429,456	2,920,924
Total Liabilities & Shareholders' Equity	$ 11,167,067	$ 10,058,617

‡ Restated to reflect capitalizatio of leases.
* At estimated cost based on retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.84	6.06
%Net Income to Sales	3.79	3.37
%Net Income to Equity	14.35	13.21

Sales to Inventories	11.06	10.85
Working Capital	$ 696,148	$ 589,548
Current Ratio	1.26	1.26
Shareholders' Equity	$ 6,586,774	$ 5,800,395

The Limited Stores, Inc.

One Limited Parkway
P.O. Box 16528
Columbus, Ohio 43216
(614) 475-4000

Officers: Leslie H. Wexner, chairman of the board & president; Robert H. Morosky, exec. v.p. & treasurer; David T. Kollat, exec. v.p.; Robert C. Grayson, v.p.-stores; Barry S. Aved, v.p.-merchandising; Verna Gibson, v.p.-merchandising; Thomas G. Hopkins, v.p.-personnel; Richard K. M. McCaffery, v.p.-marketing; Fred L. Nutt, Jr., v.p.-controller; Bella Wexner, secretary.

Directors: Leslie H. Wexner, chairman; Robert H. Morosky, Bella Wexner, Gordon M. Schiffman, David T. Kollat, John K. Pfahl, Donald B. Shackelford, John W. Kessler, Martin Trust, Stanley Tuttleman, W. Arthur Cullman.

Business Activities: Engaged in the sale of a wide range of medium-priced women's fashion apparel to the 16 to 35 age group. Merchandise is carefully chosen to provide a coordinated mix of sportswear, dresses, coats and accessories for the fashion oriented customer. Operates 309 fashion apparel stores in 97 metropolitan areas, principally in regional shopping malls. Through its Mast Industries, Inc. subsidiary, the Company also produces and sells to other retailers and manufacturers moderate-priced apparel appealing to the fashion-conscious consumer.

Transfer Agent(s):

The Huntington National Bank of Columbus
Columbus, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: LIMT (NASDAQ)

Number of Stores: (at fiscal year end)

1979	288	1976	98
1978	210	1975	69
1977	150		

Sales and Earnings

	Net Sales	Net Income
1979*	$237,972,000	$ 4,496,000
1978	203,457,000	11,867,000
1977	139,910,000	9,702,000
1976	91,585,000	6,737,000
1975	49,453,000	2,858,000

	No. of com. Shares‡	Earn. per Share‡
1979*	13,328,000	$0.34
1978	13,189,000	0.90
1977	12,954,000	0.75
1976	12,890,000	0.52
1975	12,818,000	0.22

* 53 weeks.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.08	–	–
1978	0.06	–	3-for-2
1977	0.037	–	2-for-1
1976	0.016	–	3-for-2
1975	0.006	–	2-for-1

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ 41,400,000	$3.13
1978	36,727,000	2.80
1977	23,860,000	1.84
1976	14,387,000	1.11
1975	7,656,000	0.60

‡ Adjusted to reflect stock splits.

Income Account*

Year ended	8/4/79 (53 weeks)	7/29/78
Net sales	$237,971,600	$203,456,700
Cost of sales	182,943,800	143,060,200
Expenses	46,183,200	39,249,200
Other income	(558,100)	(531,300)
Interest expense	4,507,000	(2,186,800)
Income before taxes	$ 4,895,700	$ 19,491,800
Income taxes	400,000	7,625,000
Net Income	$ 4,495,700	$ 11,866,800

* Included in Costs and Expenses. Depreciation and Amortization: $7,665,100 in 1979 and $4,277,000 in 1978.

Assets

As of	8/4/79	7/29/78
Cash	$ 3,572,000	$ 2,068,200
Temp. investments	700,000	–
Accts. receiv., net	13,268,400	6,316,600
*Inventories	25,227,400	33,674,700
Prepaid expenses	720,000	959,700
Current Assets	$ 43,488,500	$ 43,019,200
#Fixed assets	63,654,900	51,483,000
Other assets	2,592,000	
Total Assets	$109,735,400	$ 96,389,900

Liabilities

Accts. payable	$ 20,029,600	$ 17,561,100
Accruals	3,258,300	3,847,700
Curr. Liabilities	$ 23,287,900	$ 21,408,800
Long-term debt	40,606,000	36,160,000
Deferred inc. taxes	4,442,000	2,094,000
+Common stock	165,400	163,900
Add. paid-in capital	4,539,800	3,125,600
Retained earnings	36,694,300	33,437,600
Total Liabilities & Shareholders' Equity	$109,735,400	$ 96,389,900

* At lower of average cost or market or at lower of cost or market on the specific identification method.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.06	9.58
%Net Income to Sales	1.89	5.83
%Net Income to Equity	10.86	32.31
Sales to Inventories	9.43	6.04
Working Capital	$ 20,200,600	$ 21,610,400
Current Ratio	1.87	2.01
Shareholders' Equity	$ 41,399,500	$ 36,727,100

The Lionel Corporation

9 West 57th Street
New York, New York 10019
(212) 371-2100

Officers: Ronald D. Saypol, president and chief executive officer; Leo P. Arnaboldi, Jr., chairman of executive committee; Richard R. Schilling, Jr., exec. vice president & chief operating officer; Robert A. Stein, v.p.-corp. development; Roland Burkhart, v.p.-Industrial Equipment Group; Ward A. Cavanaugh, v.p.-finance & treasurer; George A. Padgett, secretary; Michael J. Vastola, controller & asst. treasurer.

Directors: Richard R. Schilling, Jr.*, Leo P. Arnaboldi, Jr.*, Paul J. Chase, Ronald D. Saypol*, Joseph A. Gimma*, Donald R. Anselmi*, Eugene P. Bernardi, Gordon H. Johnson, Arthur F. McGinness, Jr., Stanley Gewirtz.

* Member of Executive Committee.

Subsidiaries:

Leisure Marketing Group

Lionel Leisure, Inc.
2951 Grant Avenue
Philadelphia, Pennsylvania 19114
(215) 677-4800

Operates a chain of 25 mass merchandising super-specialty Lionel Kiddie City stores mainly in the Philadelphia-Delaware Valley and Ohio, 15 Lionel Playworld stores located in the Florida and Georgia areas, 6 Toytown, U.S.A. stores in the Maryland area. Major product lines include toys, games, hobbies, wheelgoods, juvenile furniture, playground equipment, pools, sporting goods, and camping equipment.

Industrial and Commercial Group

Dale Electronics, Inc.
1356 28th Avenue
Columbus, Nebraska 68601
(402) 564-3131

Miniature power resistors, precision and commercial wirewound resistors, precision power wirewound resistors, precision potentiometers, wirewound and film trimmer potentiometers, thick film micro-circuitry; special high reliability resistors, electrical connectors, resistor networks and other electronic and electromechanical assemblies, surge arrestors and crystal filters and oscillators.

Sterling Power Systems, Inc.
16752 Armstrong Avenue
Irvine, California 92714
(714) 557-7500

Electric motors, gear motors, mechanical variable speed drives, "Perfection" worm gear speed reducers and systems for the food processing and beverage fields, machine tool market, bakery and conveyors.

Bernardi Bros., Inc.
101 South 38th Street
Harrisburg, Pennsylvania 17111
(717) 564-7300

Automatic and self-service car washing and cleaning equipment.

Transfer Agent(s):

First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): New York, Pacific

Ticker Symbol: LIO

Number of Stores: (at fiscal year end)

1979	60	1976	31
1978	45	1975	29
1977	35		

Sales and Earnings

	Net Sales +	Net Income
1979	$240,005,504	$ 5,865,437
1978	188,456,743	3,531,147
1977	150,336,966	3,330,294
1976	123,016,497	1,964,002
1975	107,035,952	1,464,490

	No. of Com. Shares #	Earn. per Share #
1979	5,149,293	$1.14
1978	5,053,165	0.70

1977	5,005,043	0.67
1976	5,161,025	0.38
1975	5,155,025	0.28

+ Of continuing operations only.
# Based on average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 35,751,493	$6.58
1978	28,194,570	5.78
1977	25,187,320	5.18
1976	22,876,253	4.43
1975	20,893,563	4.05

Income Account

Year ended Dec. 31	1979	1978
Net sales	$238,430,001	$187,407,996
Other income	1,575,503	1,048,747
Total Income	$240,005,504	$188,456,743
Cost of sales	162,764,324	127,562,122
Expenses	55,767,072	43,550,298
Depreciation & amortization	4,643,232	3,582,138
Interest expense	5,672,457	3,902,389
Income before taxes	$ 11,158,419	$ 9,859,796
Income taxes	4,732,762	4,618,535
Income from cont. oper.	$ 6,425,657	$ 5,241,261
Loss from Discont. oper.	(560,220)	(1,710,114)
Net Income	$ 5,865,437	$ 3,531,147

Assets

As of Dec. 31	1979	1978
Cash	$ 7,326,298	$ 12,653,649
Short-term invest.	12,500,000	
Receivables, net	15,503,229	14,072,294
Deferred inc. taxes	65,746	52,081
*Inventories	52,100,346	37,818,167
Prepaid expenses	1,302,909	1,236,174
Current Assets	$ 88,798,528	$ 65,832,365
Notes receiv.	3,122,713	3,361,342
Prop. under cap. leases	4,165,284	4,928,550
#Fixed assets	25,732,462	18,496,336
Other assets	3,267,961	2,246,767
Defer. charges	1,056,319	167,482
Intangibles	1,087,158	837,307
Total Assets	$127,230,425	$ 95,870,149

Liabilities

Long-term debt, curr.	$ 2,410,663	$ 1,399,658
Cap. lease oblig.	524,324	682,137
Accts. payable	36,581,833	30,865,284
Accruals	7,636,536	4,518,653
Accrued payroll	2,148,738	1,719,269
Taxes	7,543,259	5,790,999
Curr. Liabilities	$ 56,845,353	$ 44,976,000
Long-term debt	29,103,833	16,897,822
Cap. lease oblig.	4,638,339	5,162,663
Deferred income	23,304	23,304
Deferred inc. taxes	868,103	615,790
+Common stock	600,232	568,732
Add. paid-in capital	18,177,145	16,295,675
Retained earnings	18,282,561	13,196,017
Treasury stock	(1,308,445)	(1,865,854)
Total Liabilities & Shareholders' Equity	$127,230,425	$ 95,870,149

* At lower of cost (FIFO or retail method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	16.41	12.52
Sales to Inventories	4.58	4.96
Working Capital	$ 31,953,175	$ 20,856,365
Current Ratio	1.56	1.46
Shareholders' Equity	$ 35,751,493	$ 28,194,570

Loblaw Companies Limited

22 St. Clair Avenue East
Toronto, Ontario, Canada M4T253
(416) 922-2500

Officers: W. Galen Weston, chairman of the board & chief exec. officer; George C. Metcalf, vice chairman of the board; Richard J. Currie, President & chief operating officer; David A. Nichol, exec. v.p.; Charles M. Humphrys, sr. v.p.-finance & secretary; Harold A. Seitz, sr. v.p.-real estate development; Brian Y. Davidson, sr. v.p.-business development; Mark Hoffman, v.p.; Douglas N. Lunau, v.p.-procurement services; Sheldon Douglass, v.p.-controller; James H. Farrell, v.p.-general counsel & asst. secretary; John N. McCullough, v.p.-real property counsel; Wayne E. East, v.p.-information systems; Ian M. Young, treasurer; Ivan R. Franklin, tax officer; Sheldon V. Durtsche, asst. treasurer (U.S. companies); Stewart E. Green, asst. secretary; Ian F. Bell, Alfred W. Lenz, Dorothy M. Leamen, asst. controllers.

Directors: W. Galen Weston, George C. Metcalf, W. Struan Robertson, Richard G. Meech, Richard J. Currie, David A. Nichol, Roger A. Lindsay, Mark Hoffman.

Business Activities: A Canadian holding company controlling major interest in food retailing and wholesaling in Canada and the United States. In addition to its food-related operations, Loblaw, through its subsidiaries, also participates in the Canadian general merchandise industries.

Divisions & Subsidiaries:

National Tea Company (84% owned)
Chicago, Illinois
Operates supermarkets in the central United States. As of July 27, 1979, operates and owns Applebaums' Food Markets, Inc. with its 27 retail stores of St. Paul, Minnesota.

National Food Distributors

Peter J. Schmitt Co., Inc.
Buffalo, New York
Wholesale food distribution in the United States.

Loblaws Limited
Toronto, Ontario, Canada
Operates food Stores in Ontario, Canada

Loblaw Inc
Buffalo, New York
Supermarket organization supplying retail food stores in New York and Pennsylvania.

Zehrmart Limited

Zehr's Markets Division
Kietchener, Ontario, Canada
Operates Zehr Markets and Little Z Markets in southwestern Ontario.

Intersave Buying & Merchandising
Services Division
National Grocers Division
National Grocers Company, Limited
Toronto, Ontario, Canada
A wholesale organization supplying retail food stores and institutions throughout Ontario and Quebec

Atlantic Wholesalers Division
Sackville, New Brunswick, Canada
Wholesaler of groceries, meat and produce in the Maritime provinces.

Kelly, Douglas & Company, Limited (84% owned)
Burnaby, British Columbia, Canada
Engaged primarily in the wholesale and retail distribution of food and drug products, and also in extensive food manufacturing, catering, restaurant supply and dairy operations, operating mainly in Western Canada.

Super Valu Stores (B.C.) Division
Isaacs Pharmacy ltd.
Dickson's Food Services Ltd.
Foremost Foods, Ltd.
W.H. Malkin Ltd.
Westfair Foods Ltd.
  Western Grocers
  Dominion Fruit
  O.K. Economy Stores
  Shelly Western
  Econo-Mart
  Loblaw West

Acquisition(s):

Applebaums' Food Markets, Inc.
St. Paul, Minnesota
Operates a chain of 27 retail stores.

Transfer Agent(s):

National Trust Company Limited
Toronto, Montreal, Calgary & Vancouver, Canada.

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: LA (Class A); LB (Class B)

Number of Stores: (at fiscal year end)

1979	600	1976	850
1978	601	1975	1,169
1977	665		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1979	$ 4,725,263	$ 34,955
1978	4,246,552	25,573
1977	3,735,347	18,396
1976	3,525,009	(49,803)
1975*	3,042,476	(5,958)

	No. of Com. Shares	Earn. per Share ‡
1979	31,900,000	$0.96
1978	31,900,000	0.72
1977	31,900,000	0.54
1976	31,900,000	—

(Loss)
* 53 weeks.
‡ Including extraordinary gains of $12,089,000 ($0.38 per share) in 1979, $6,875,000 ($0.22 per share) in 1978, $5,202,000 ($0.16 per share) in 1977 and extraordinary losses of $28,115,000 in 1976.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$142,311,000	$4.46
1978	115,136,000	3.61
1977	94,551,400	2.96
1976	79,285,000	2.49

‡ After allowing for preferred stock at par values.

Income Account
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 4,725,263	$ 4,246,552
Other income	2,859	2,235
Total income	$ 4,728,122	$ 4,248,787
Cost of sales & exp.	4,560,792	4,099,670
Lease expense	58,954	57,721
Depreciation	36,412	31,284
Interest expense	22,077	16,142
Income before taxes	$ 49,887	$ 43,970
Income taxes	21,006	19,930
Minority interest	6,015	5,342
Net Income	$ 22,866	$ 18,698
Extraord. gain	12,089	6,875
Net Income & extraord. items	$ 34,955	$ 25,573

Assets
(000's)

As of	12/29/79	12/30/78
Cash & invest.	$ 6,954	$ 8,412
Accts. receiv., net	79,571	82,848
Prop. for sale	20,444	17,543
*Inventories	346,219	293,969
Prepaid expenses	12,289	11,416
Current Assets	$ 465,477	$ 414,188
Investments	49,771	44,420
#Fixed assets	336,178	241,412
Defer. charges & intangibles	16,447	13,312
Total Assets	$ 867,873	$ 713,332

Liabilities
(000's)

Bank advances & notes payable	$ 39,128	$ 48,541
Long-term debt, curr.	7,828	7,706
Cap. lease oblig., curr.	1,759	—
Accts. payable & accruals	301,039	251,850
Taxes payable	21,780	21,617
Dividends payable	957	—
Curr. Liabilities	$ 372,491	$ 329,714
Long-term debt	102,163	94,736
Cap. lease oblig.	44,552	—
Other liabilities	17,794	16,085
Minority interest	63,772	58,481
Deferred income	17,851	19,151
Deferred inc. taxes	2,457	547
+Preferred stock:		
$2.40 cum. redeem.	21,982	21,982
Second series	27,500	27,500
+ +Second pref. stock:		
First series	30,000	30,000
Second Series	25,000	—
+ + +Common stock:		
Class A	48,126	48,126
Class B	27,305	27,305
Retained earnings	66,880	39,705
Total Liabilities & Shareholders' Equity	$ 867,873	$ 713,332

* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ $50 par value.
+ + $100 par value.
+ + + No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.06	1.04
%Net Income to Sales	0.48	0.44
%Net Income to Equity	9.27	9.61
Sales to Inventories	13.65	14.45
Working Capital	$ 92,986,000	$ 84,474,000
Current Ratio	1.25	1.26
Shareholders' Equity	$246,793,000	$194,618,000

Loehmann's, Inc.

3450 Baychester Avenue
Bronx, New York 10475
(212) 654-4000

Officers: George J. Greenberg, president, chief executive officer & chief operating officer; Frederick R. Adler, executive vice president & treasurer; Carl E. Kaplan, secretary.

Directors: George J. Greenberg, Frederick R. Adler, Donald H. Balleisen, Allan S. Gordon, Cecily C. Selby, Christopher D. Illick, James R. Swartz, Kenneth J. Thornhill, Anita T. Loehmann Stafford, John D. Mack.

Business Activities: Operates women's apparel stores under the names Loehmann's and Loehmann's Plaza.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): American

Ticker Symbol: LOH

Number of Stores: (at fiscal year end)

1979	44	1976	35
1978	39	1975	31
1977	38		

Sales and Earnings

	Net Sales	Net Income
1979	$140,576,626	$ 4,955,461
1978*	132,273,687	5,784,532
1977	104,363,738	3,459,631
1976	85,158,269	2,471,138
1975	69,667,222	2,556,988

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,094,113	$2.37
1978*	2,054,494	2.81
1977	2,025,777	1.71
1976	2,012,447	1.23
1975	2,003,373	1.27

* 53 weeks.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$1.65	—	—
1978	0.98⅓	—	3-for-2†
1977	0.66⅔	—	—
1976	0.66⅔	—	—
1975	0.42	—	—

† In the form of a 50% stock dividend.
‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 22,009,115	$10.51
1978	20,251,410	9.86
1977	16,269,787	8.03
1976	14,071,219	6.99
1975	12,891,805	6.44

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	7/30/79	7/31/78 (53 weeks)
Net sales	$140,576,626	$132,273,687
Cost of sales	107,333,050	98,475,457
Expenses	23,372,115	21,549,698
Income before taxes	$ 9,871,461	$ 12,248,532
Income taxes	4,916,000	6,464,000
Net Income	$ 4,955,461	$ 5,784,532

* Included in Costs and Expense, Depreciation and Amortization: $845,441 in 1979 and $818,731 in 1978.

Assets

As of	7/30/79	7/31/78
Cash	$ 2,688,152	$ 3,537,908
Commercial paper	2,605,342	5,916,488
Inc. taxes receiv.	1,006,835	—
* Inventories	13,874,415	12,631,476
Prepaid expenses	485,157	474,387
Current Assets	$ 20,659,901	$ 22,560,259
# Fixed assets	6,208,378	5,286,074
Other assets	287,763	275,521
Total Assets	$ 27,156,042	$ 28,121,854

Liabilities

Notes payable	$ 100,000	$ 100,000
Accts. payable & accruals	3,122,187	3,323,901
Prof. sh. plan	1,192,237	1,386,360
Income taxes	82,883	2,398,738
Other taxes	549,620	461,445
Curr. Liabilities	$ 5,046,927	$ 7,670,444
Long-term debt:		
5½% notes payable	100,000	200,000
+ Common stock	2,106,182	2,072,460
Add. paid-in capital	451,781	226,649
Retained earnings	19,451,152	17,952,301
Total Liabilities & Shareholders' Equity	$ 27,156,042	$ 28,121,854

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.02	9.26
%Net Income to Sales	3.53	4.37
%Net Income to Equity	22.52	28.56
Sales to Inventories	10.13	10.47
Working Capital	$ 15,612,974	$ 14,889,815
Current Ratio	4.09	2.94
Shareholders' Equity	$ 22,009,115	$ 20,251,410

Longs Drug Stores, Inc.

141 North Civic Drive
P.O. Box 5222
Walnut Creek, California 94596
(415) 937-1170

Officers: J. M. Long, chairman of the board; R. M. Long, president & chief exec. officer; R.A. Scott, exec. v.p.; R.A. Plomgren, sr. v.p.-properties; N. C. Adams, D. G. DeSchane, G. A. Duey, A. W. Wilent, T. R. Sweeney, B.M. Brandon, D.D. England, R.D. Fragie, V.H. Howe, B.J. Thomas, R.W. Vienop, v.p.'s; W. G. Combs, v.p. & treasurer; S. D. Roath, v.p. & director of professional affairs; O. D. Jones, v.p. & secretary.

Directors: J. M. Long, T. J. Long, N. C. Adams, R. M. Long, I. W. Rowland, Samuel B. Stewart, Ronald A. Plomgren, D. E. McHenry, R. A. Scott, T. R. Sweeney, S.D. Roath.

Business Activities: Operates a chain of drug stores located in California, Hawaii, Alaska, Arizona, Oregon and Nevada.

Transfer Agent(s):

Bank of America N.T. & S.A.
Stock Transfer Department
P.O. Box 37000 Rincon Annex
San Francisco, California 94120

Stock Exchange(s): New York

Ticker Symbol: LDG

Number of Stores: (at fiscal year end)

1980	130	1977	101
1979	120	1976	92
1978	112		

Sales and Earnings

	Net Sales	Net Income
1980	$773,251,000	$ 26,687,000
1979	663,542,000	23,600,000
1978	550,656,000	19,582,000
1977	477,496,000	17,092,000
1976	410,736,000	14,695,000

Longs Drug Stores, Inc.

	No. of Com. Shares ‡	Earn. per Share ‡
1980	10,567,000	$2.53
1979	10,567,000	2.23
1978	10,567,000	1.85
1977	10,561,000	1.62
1976	10,526,000	1.40

‡ Based on the weighted average number of common stock and common stock B shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.73	—	—
1979	0.62	—	—
1978	0.54	—	—
1977	0.46	—	2-for-1
1976	0.39	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$140,012,000	$13.25
1979	120,557,000	11.41
1978	102,302,000	9.68
1977	87,144,000	8.25
1976	73,077,000	6.94

‡ Based on the weighted average number of common stock and common stock B shares outstanding adjusted to reflect stock split.

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 773,251	$ 663,542
Other income	1,653	1,645
Total income	$ 774,904	$ 665,187
Cost of sales	585,572	500,992
Expenses	86,734	72,817
Occupancy	24,734	21,270
Advertising	11,412	9,370
Prof. sh. plan	4,576	4,576
Other charges	8,659	7,531
Income before taxes	$ 53,217	$ 48,631
Income taxes	26,530	25,031
Net Income	$ 26,687	$ 23,600

* Included in Costs and Expenses. Depreciation: $4,087,000 in 1980 and $3,096,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash & short-term invest.	$ 12,931	$ 15,566
*Inventories	84,221	68,228
Prepaid expenses & deposits	7,007	5,532
Current Assets	$ 104,159	$ 89,326
#Fixed assets	101,985	82,213
Total Assets	$ 206,144	$ 171,539

Liabilities
(000's)

Accts. payable	$ 36,904	$ 22,349
Accruals	5,554	5,429
Prof. sh. plan	4,576	4,576
Income taxes	9,746	10,957
Other taxes	4,670	3,835
Other liabilities	4,682	3,836
Curr. Liabilities	$ 66,132	$ 50,982
+Common stock	1,321	1,149
Common Stock B	—	172
Add. paid-in capital	4,124	4,124
Retained earnings	134,567	115,112
Total Liabilities & Shareholders' Equity	$ 206,144	$ 171,539

* At specific cost or market, whichever is lower.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.88	7.33
%Net Income to Sales	3.45	3.56
%Net Income to Equity	19.06	19.58
Sales to Inventories	9.18	9.73
Working Capital	$ 38,027,000	$ 38,344,000
Current Ratio	1.58	1.75
Shareholders' Equity	$140,012,000	$120,557,000

Lowe's Companies, Inc.

Highway 268 East
Box 1111
North Wilkesboro, North Carolina 28656
(919) 667-3111

Officers: Leonard G. Herring, president & chief exec. officer; Dwight E. Pardue, exec. v.p.-store operations; J. Ross Burgess, Jr., exec. v.p. & gen. merch. mgr.; Clayton A. Griffing, sr. v.p.-finance; Roderick P. Morrow, v.p.-administration; Wade L. Dupree, v.p.-real estate & expansion; Rex L. Shumate, v.p. & treasurer; Arnold N. Lakey, v.p.-credit management; Richard Elledge, secretary & controller.

Directors: Petro Kulynych, John A. Walker, William H. McElwee, Sr., Leonard G. Herring, Robert L. Strickland, Gordon E. Cadwgan, Robert G. Schwartz.

* Member of the Executive Committee.

Business Activities: Operates a group of merchandise stores specializing in lumber, building materials, hardware, appliances, mobile homes, and a variety of other consumer products. Stores are located in North Carolina, Tennessee, Arkansas, Indiana, Illinois, Texas, South Carolina, Virginia, West Virginia, Maryland, Pennsylvania, Delaware, Ohio, Georgia, Kentucky, Louisiana, Indiana, Mississippi, Alabama and Florida.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
9 West 57th Street
New York, New York 10019

Wachovia Bank & Trust Company, N.A.
Box 3001
Winston-Salem, North Carolina 27102

Stock Exchange(s): New York

Ticker Symbol: LOW

Number of Stores: (at fiscal year end)

1979	209	1976	150
1978	199	1975	130
1977	175		

Sales and Earnings

	Net Sales	Net Income
1/31/80	$904,651,000	$ 24,955,000
1/31/79	793,125,313	23,723,833
1/31/78	661,625,324	24,693,157
1/31/77	594,358,146	21,431,078
7/31/76	465,051,984	17,311,416

	No. of Com. Shares ‡	Earn. per Share +
1/31/80	13,022,126	$1.92
1/31/79	13,022,126	1.82
1/31/78	13,022,126	1.90
7/31/77	13,022,126	1.65
7/31/76	13,022,126	1.33

‡ Adjusted to reflect stock dividend.
+ Based on the weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Structural lumber	$ 190,070	$ 168,067
Bldg. material & hardware	415,287	371,778
Plumbing, elec., heating, cooling	81,110	67,560
Kitchens & home laundry	49,394	38,659
House, yard, farm supplies	63,987	50,615
Home entertainment	19,408	17,519
Mobile homes	316	464
Special order sales	85,079	78,463
Total	$ 904,651	$ 793,125

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1/31/80	$0.50	—	—
1/31/79	0.40	—	—
1/31/78	0.30	—	—
7/31/77	0.21	—	—
7/31/76	0.10	50%	

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share
1/31/80	$159,097,000	$12.22
1/31/79	140,652,575	10.80
1/31/78	122,137,592	9.38
7/31/77	112,856,889	8.67
7/31/76	94,371,073	7.25

Income Account

Year ended Jan. 31	1980	1979
Net sales	$904,651,000	$793,125,373
Cost of sales	741,891,000	647,178,838
Expenses	85,860,000	74,804,202
Depreciation	10,064,000	8,713,648
Emp. retire. ben.	10,226,000	7,488,385
Interest expense	7,017,000	5,601,528
Prof. for bad debts	2,262,000	3,474,109
Income before taxes	$ 47,331,000	$ 45,864,603
Income taxes	22,376,000	22,140,770
Net Income	$ 24,955,000	$ 23,723,833

Assets

As of Jan. 31	1980	1979
Cash	$ 22,959,000	$ 9,362,650
Accts. receiv., net	66,442,000	66,836,141
*Inventories	118,511,000	111,247,692
Prepaid expenses	—	876,806
Prepaid inc. taxes	3,001,000	904,877
Current Assets	$210,913,000	$189,228,166
#Fixed assets	88,695,000	80,095,842
Other assets	291,000	371,094
Total Assets	$299,899,000	$269,695,102

Liabilities

Long-term debt, curr.	$ 4,093,000	$ 2,439,400
Accts. payable	45,567,000	44,832,599
Emp. retire. benefit pay	9,785,000	6,114,810
Income taxes	15,127,000	—
Accrued payroll & other liab.	10,118,000	10,693,892
Curr. Liabilities	$ 84,690,000	$ 64,080,791
Long-term debt	56,112,000	64,961,736
+ Common stock	6,511,000	6,511,063
Add. paid-in capital	5,264,000	5,263,566
Retained earnings	147,322,000	128,877,946
Total Liabilities & Shareholders' Equity	$299,899,000	$269,695,102

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.23	5.78
%Net Income to Sales	2.76	2.99
%Net Income to Equity	15.69	16.87
Sales to Inventories	7.63	7.13
Working Capital	$126,223,000	$125,147,375
Current Ratio	2.49	2.95
Shareholders' Equity	$159,097,000	$140,652,575

Lucky Stores, Inc.

6300 Clark Avenue
Dublin, California 94566
(415) 828-1000

Officers: Wayne H. Fisher, chairman the board; S. Donley Ritchey, president & chief executive officer; James L. Stell, vice chairman of the board; Gerald A. Awes, chairman of the executive committee; John M. Lillie, executive v.p.; Ivan Owen, sr. v.p. & chief financial officer; Morton Godlas, sr. v.p.-general merchandise; Leon W. Roush, sr. v.p.-food operations; Kenneth W. Cope, Richard C. Biagi, Chester B. England, Jerry J. Sgobassi, Lester C. Kranhold, Theodore F. Brunner, Frank J. Dorsey, Walter A. Nelsen, Raymond H. Sweeney, R. Lee Paulson, vice presidents; Donna L. De Moss, treasurer; Nancy E. Burnette, secretary.

Directors: Gerald A. Awes*, William H. Dyer, Jr.*, Wayne H. Fisher*, Ivan Owen, Dwight E. Stanford, James L. Stell*, John H. Hoefer, James A. Petit, Joseph A. Woods, Jr., Dr. Reed L. Buffington, Don C. Frisbee, Forrest A. Plant, Mary E. Lanigar, S. Donley Ritchey*.

* Member of Executive Committee.

Business Activities: Operates a chain of food units consisting of supermarkets, discount centers and food departments of department stores; Lucky Discount Supermarkets are located in Western states; Food Basket in San Diego County, California; Sirloin Stockade and Fred Gang's restaurants in the north central states; Eagle Discount Supermarkets in the Midwest and Texas. Also operates Gemco Membership Department Stores located in the West and Texas; Memco Membership Department Stores in the Midwest and East; Pic-A-Dilly & It's-A-Dilly women's specialty apparel stores, in California; Operates a chain of pharmacies in drug department stores and food markets; fabric stores (Hancock Fabrics) located primarily in the South, Southwest and Pacific Coast; stores dealing primarily in auto parts and tires located in California (Kragen Auto Supply, Checker Auto Parts, Dorman's); sporting goods and leisure products stores (L & G Sporting Goods) in Orange County, California; jewelry departments (Le Gran) in the Company's membership department stores. Also engaged in the distribution of fabrics and notions to both company-owned and independent stores and the manufacture and marketing of household cleaning products and candles. Operates Harvest Day Bakeries, Lady Lee dairies and ice cream (California) and meat plants (California).

Acquisition:

Atherton Industries, Inc. (1977)
Operates women's apparel stores called Pic-A-Dilly and It's-A-Dilly.

Valley Distributing Company (1978)
Operates Yellow Front family department stores and Checker Auto Supply stores in Western states.

Transfer Agent(s):

Bank of America N.T. & S.A.
(common and preferred stock)
World Headquarters Building
San Francisco, California 94104

Stock Exchange(s): New York, Pacific

Ticker Symbol: LKS

Number of Stores: (at fiscal year end)

	Food Dept. Units	Drug Stores	Sporting Stores	Goods
1980	509	76	18	16
1979	428	72	20	13
1978	429	67	20	9
1977	411	64	22	6
1976	395	57	22	4

	Restaurants	Automotive Stores	Fabric Stores	Total Stores
1980	170	237	158	1472
1979	162	209	159	1317
1978	151	64	146	1026
1977	142	54	140	839
1976	120	44	127	771

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980*	$ 5,815,927	$ 98,094
1979	4,658,409	80,400
1978	4,035,369	66,475
1977	3,637,754	52,239
1976	3,229,308	51,258

	No. of Com. Shares	Earn. per Share #
1980*	49,182,688	$2.01
1979	47,137,956	1.72
1978	42,022,784	1.41
1977	37,785,811	1.11
1976	36,644,229	1.10

* 53 weeks.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1979 (000')	%	1978 (000's)	%
Food stores	$3,692,000	63.5%	$2,861,000	614%
Dept. stores	1,520,000	26.1	1,266,000	27.2
Specialty stores	227,000	3.9	204,000	4.4
Fabrics	133,000	2.3	124,00	2.7
Restaurants	80,000	1.4	66,000	1.4
Automotive	164,000	2.8	137,000	2.9
Total	$5,816,000	100.0%	$4,658,000	100.0%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.83	3%	—
1978	0.71	3%	—
1977	0.63	3%	—
1976	0.58	3%	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$406,079,000	$8.41
1979	331,430,000	7.10
1978	279,527,000	6.03
1977	242,577,000	5.24
1976	230,382,000	4.99

‡ Adjusted to refect stock dividends.

Income Account
(000's)

Year ended	2/3/80 (53 weeks)	1/28/79
Net sales	$ 5,815,927	$ 4,658,409
Cost of sales	4,457,113	3,543,460
Expenses	1,106,218	896,074
Depreciation & amortization	50,383	44,191
Interest expense	21,750	18,500
Income before taxes	$ 180,463	$ 156,184
Income taxes	82,369	75,784
Net Income	$ 98,094	$ 80,400

Assets
(000's)

As of	2/3/80	1/28/79
Cash & short-term securities	$ 42,131	$ 37,541
Receivables	41,908	35,267
* Inventories	530,328	475,584
Prepaid expenses & supplies	29,630	24,961
Reimbursable costs of prop.	39,060	6,950
Current Assets	$ 683,057	$ 580,303
# Fixed assets	371,562	323,824
Prop. under cap. leases	138,004	112,393
Other assets	14,355	11,764
Intangibles	14,569	14,562
Total Assets	$ 1,221,547	$ 1,042,846

Liabilities
(000's)

Notes payable	$ 23	$ 6,213
Long-term debt, curr.	8,529	3,632
Cap. lease oblig. curr.	6,438	5,939
Accts. payable	257,790	213,938
Accruals	174,472	131,048
Income taxes	21,392	29,112
Curr.Liabilities	$ 468,644	$ 389,882
Long-term debt	153,039	173,413
Cap. lease oblig.	156,767	129,627
Deferred inc. taxes	18,166	15,573
+ Preferred stock	18,852	2,921
+ + Common stock	61,478	58,922
Add. paid-in capital	176,934	156,303
Retained earnings	167,667	116,205
Total Liabilities & Shareholders' Equity	$ 1,221,547	$ 1,042,846

* At LIFO cost.
# Less accumulated depreciation.
+ $50 par value.
+ + $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.10	3.35
%Net Income to Sales	1.69	1.73
%Net Income to Equity	24.16	24.26
Sales to Inventories	10.97	9.80
Working Capital	$214,413,000	$190,421,000
Current Ratio	1.46	1.49
Shareholders' Equity	$406,079,000	$331,430,000

Macks Stores, Inc.

800 East Main Street
Sanford, North Carolina 27330
(919) 776-7611

Mailing address:

P.O. Box 2010
Sanford, North Carolina 27330

Officers: Samuel J. Wornom, III, chairman of the board & president; Truby G. Proctor, Jr., vice chairman & v.p.; J. Craig Dodson, exec. v.p.; Richard H. Moore, v.p. & treasurer; Orton J. Cameron, secretary.

Directors: Robert E. Bryan, Jr., C. Banks Finger, George R. Perkins, Jr., E. Craig Wall, Truby G. Proctor, Jr.*, John F. Geisse, Samuel J. Wornom, III*.

* Member of Executive Committee.

Business Activities: Engaged in the operation of retail variety stores in North Carolina, Virginia, South Carolina and Georgia.

Transfer Agent(s):

Wachovia Bank and Trust Company, N.A.
Winston-Salem, North Carolina 27102

Stock Exchange(s): American

Ticker Symbol: MKS

Number of Stores: (at fiscal year end)

1979	96	1976	90
1978	98	1975	88
1977	92		

Sales and Earnings

	Net Sales	Net Income
1979	$ 62,458,571	$ 1,385,745
1978	52,012,627	1,269,663
1977	44,108,472	1,349,474
1976	39,570,475	1,260,563
1975*	34,888,503	1,037,761

	No. of Com. Shares	Earn. per Share ‡
1979	1,060,000	$1.30
1978	1,080,450	1.18
1977	1,080,450	1.25
1976	1,080,450	1.17
1975*	1,080,450	0.94

* 53 weeks.
‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 12,781,647	$12.06
1978	11,735,524	10.86
1977	10,681,951	9.89
1976	9,715,348	8.99
1975	8,670,875	8.03

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 62,458,571	$ 52,012,627
Cost of sales	41,717,650	33,721,276
Expenses	18,050,488	15,850,575
Oper. profit	$ 2,690,433	$ 2,440,776
Other income	369,908	218,486
Total	$ 3,060,341	$ 2,659,262
Interest expense	655,950	410,421
Income before taxes	$ 2,404,391	$ 2,248,841
Income taxes	1,018,646	979,178
Net Income	$ 1,385,745	$ 1,269,663

* Included in Costs and Expenses, Depreciation and Amortization: $661,003 in 1979 and $583,156 in 1978.

Assets

As of	1/26/80	1/27/79
Cash	$ 812,232	$ 731,456
Temp. invest	1,500,000	—
Other assets	53,034	14,876
*Inventories	15,340,677	12,734,499
Prepaid expenses	59,200	46,493
Current Assets	$ 17,765,143	$ 13,527,324
#Fixed assets	4,383,814	4,301,977
Other assets	1,033,327	582,659
Total Assets	$ 23,182,284	$ 18,411,960

Liabilities

Long-term debt, curr.	$ 95,593	$ 86,270
Short-term borrowing	—	2,500,000
Accts. payable	2,647,562	1,282,348
Accruals	706,735	808,648
Income taxes	140,803	193,924
Other liabilities	296,165	250,787
Curr. Liabilities	$ 3,884,858	$ 5,121,977
Long-term debt	6,198,002	1,288,490
Deferred inc. taxes	317,777	265,969
+Common stock	540,225	540,225
Add. paid-in capital	948,739	948,739
Retained earnings	11,419,081	10,246,560
Treasury stock	(126,398)	—
Total Liabilities & Shareholders' Equity	$ 23,182,284	$ 18,411,960

* At LIFO cost.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.85	4.32
%Net Income to Sales	2.22	2.44
%Net Income to Equity	10.84	10.82
Sales to Inventories	4.07	4.08
Working Capital	$ 13,880,285	$ 8,405,347
Current Ratio	4.57	2.64
Shareholders' Equity	$ 12,781,647	$ 11,735,524

Macrose Industries Corporation

5600 Sunrise Highway
P.O. Box 343
Massapequa, New York 11758
(516) 798-9004

Officers: Milton Paulenoff, president and treasurer; Monroe Lange, v.p.-Import Div.; Marc Paulenoff, v.p.-secretary; Robert McNabb v.p.-wholesale div.; Raymond Burke, v.p.-Retail Div.; Alan Rosenthal, vice president & controller.

Directors: Milton Paulenoff, Alan Rosenthal, Monroe Lange.

Business Activities: Engages in the wholesale and retail sales of lumber, building materials, and related items in New York and Florida. Its import division sells hardwoods nationally as well as Canada. An export subsidiary sells hardwoods and logs worldwide.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MCOS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income +
1979	$ 9,443,689	$ 125,412
1978	8,939,445	81,063
1977	8,490,341	19,712
1976	4,224,904	70,561
1975	3,876,190	124,378

	No. of Com. Shares #	Earn. per Share + #
1979	362,732	$0.35
1978	330,358	0.25
1977	337,867	0.06
1976	328,700	0.21
1975	328,700	0.38

+ Including extraordinary gains $13,900 ($0.04 per share) in 1978, $5,124 ($0.02 per share) in 1977, $16,105 ($0.05 per share) in 1976, and $51,837 ($0.16 per share) in 1975.
# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 1,336,924	$3.36
1978	1,176,298	3.63
1977	1,109,535	3.28
1976	1,069,823	3.25
1975	999,262	3.04

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Feb. 28	1979	1978
Net sales	$ 9,443,689	$ 8,939,445
Cost of sales	6,887,439	6,950,194
Expenses	2,210,782	1,824,243
Interest expense	172,865	115,484
Franchise fees	(11,936)	(27,222)
Other income	(5,264)	(24,300)
Income before taxes	$ 189,803	$ 101,046
Income taxes	64,391	33,883
Net Income	$ 125,412	$ 67,163
Extraord. gains		13,900
Net Income & extraord. gains	$ 125,412	$ 81,063

* Included in Costs and Expenses, Depreciation and Amortization: $115,163 in 1979 and $93,624 in 1978.

Assets

As of Feb. 28	1979	1978
Cash	$ 32,791	$ 34,659
Accts. receiv., net	812,195	434,237
* Inventories	2,080,597	1,556,752
Other assets	126,461	121,945
Current Assets	$ 3,052,044	$ 2,147,593
# Fixed assets	1,115,421	1,097,642
Other assets	29,730	23,930
Total Assets	$ 4,197,195	$ 3,269,165

Liabilities

Notes payable	$ 862,628	$ 272,436
Long-term debt, curr.	99,725	97,926
Accts. payable	714,886	607,044
Accruals	205,444	104,812
Taxes	52,469	24,480
Curr. Liabilities	$ 1,935,152	$ 1,106,698
Long-term debt	925,119	986,169
+ Common stock	15,909	13,548
Add. paid-in capital	1,043,135	1,024,582

Retained earnings	277,880	152,468
Treasury stock	–	(14,300)
Total Liabilities & Shareholders' Equity	$ 4,197,195	$ 3,269,165

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.01	1.13
%Net Income to Sales	1.33	0.75
%Net Income to Equity	9.38	5.71
Sales to Inventories	4.54	5.74
Working Capital	$ 1,116,892	$ 1,040,895
Current Ratio	1.58	1.94
Shareholders' Equity	$ 1,336,924	$ 1,176,298

R. H. Macy & Co., Inc.

151 West 34th Street
New York, New York 10001
(212) 560-3600

Officers: Edward S. Finkelstein, chairman of the board; Mark S. Handler, president; senior vice presidents: S. Lester Block-govt. relations & labor counsel, Nat Kurtz-taxes, James O. York -planning & development, Jack Hanson -finance & treasurer, Warren H. Simmons, Jr.-personnel & labor relations, Kenneth H. Straus -domestic & int'l buying, Marvin Fenster, general counsel and secretary; vice presidents: Paul Falvey-insurance & retirement; Elias S. Gottlieb -research, Mortimer B. Leavitt -corp. control, Lewis J. Augustine -data processing, Jack M. Tonelson -corporate audit, Owen D. Nee -general attorney, Kennard Hirsch-tax attorney, Paul M. Cholak-employee relations, Lloyd B. Dalzell-exec. development, James D. Wiese-legal.

Directors: Orville E. Beal, Abraham L. Bienstock, Stephen M. Du Brul, Jr., James O. York, J. Richardson Dilworth, Edward S. Finkelstein, Lawrence E. Fouraker, Mark S. Handler, Robert D. Lilley, Donald B. Smiley, Jack I. Straus, Kenneth H. Straus, F. Perry Wilson, Herbert L. Seegal, Martha Peterson, Philip Schlein.

Business Activities: Operates a chain of department stores.

Retail Subsidiary:

Macy's New York Inc.
Herald Square
New York, New York 10001
(212) 695-4400

Division(s):

Bamberger's
131 Market Street
Newark, New Jersey 07101
(201) 565-1234

Macy's California
Stockton & O'Farrell Streets
San Francisco, California 94119
(415) 397-3333

Davison's
Peachtree & Ellis Streets
Atlanta, Georgia 30303
(404) 522-1300

Macy's Missouri-Kansas
1034 Main Street
Kansas City, Missouri 64106
(816) 221-3737

Lasalle's
Adams & Huron Streets
Toledo, Ohio 43603
(419) 243-8811

R.H. Macy Corporate Buying
151 West 34th Street
New York, New York 10001

R.H. Macy Properties
151 West 34th Street
New York, New York 10001

Subsidiary:

Macy Credit Corp.
151 West 34th Street
New York, New York 10001
(212) 279-9829

Transfer Agent(s):

Irving Trust Company
One Wall Street
New York, New York 10005

Stock Exchange(s): New York, Pacific

Ticker Symbol: MZ

Number of Stores: (at fiscal year end)

1979	79	1976	75
1978	75	1975	70
1977	76		

Sales and Earnings†

	Net Sales ‡	Net Income
1979	$2,058,048,000	$ 76,425,000
1978	1,834,100,000	61,677,000
1977	1,660,684,000	52,176,000
1976	1,469,363,000	42,046,000
1975	1,297,672,000	26,561,000

	No. of Com. Shares +	Earn. per Share ‡‡
1979	15,624,630	$4.85
1978	15,711,506	4.08
1977	14,837,783	3.51
1976	14,581,911	2.85
1975	14,491,721	1.78

† Restated to reflect capitalization of leases.
+ Adjusted to reflect stock split.
‡ Includes licensed departments.
‡‡ Based on the average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$1.13⅓	–	3-for-2†
1978	1.02½	–	–
1977	0.88⅓	–	–
1976	0.76⅓	–	–
1975	0.73⅓	–	–

† Declared Jan., 1980.
‡ Adjusted to reflect stock dividends.

Common Stock Equity‡

	Total Equity #	Equity Per Share †
1979	$486,547,800	$31.14
1978	431,006,800	27.43

‡ Restated to reflect capitalization of leases.
# After allowing for preferred stock Series A at a redemption value of $107.50 per share.
† Adjusted to reflect stock split.

Income Account*

Year ended	7/28/79	7/29/78 †
Net sales	$2,058,048,000	$1,834,034,000
Cost of sales	1,443,464,000	1,286,034,000
Expenses	422,491,000	385,628,000
Other income	(7,887,000)	(5,420,000)
Interest expense	47,682,000	42,656,000
Income before taxes	$ 152,298,000	$ 125,202,000
Income taxes	73,873,000	63,525,000
Net Income	$ 76,425,000	$ 61,677,000

* Included in Costs and Expenses, Depreciation and Amortization: $46,627,000 in 1979 and $39,789,000 in 1978.
† Restated to reflect capital lease obligations.

Assets

As of	7/28/79	7/29/78 †
Cash	$ 92,842,000	$ 98,508,000
Accts. receiv., net	47,839,000	45,191,000
Other receiv.	20,563,000	12,940,000
*Inventories	306,134,000	291,432,000
Prepaid expenses	15,495,000	15,575,000
Current Assets	$ 482,872,000	$ 463,646,000
# Fixed assets	581,401,000	536,759,000
Other assets	133,007,000	114,637,000
Total Assets	$1,197,281,000	$1,115,042,000

Liabilities

Long-term debt, curr.	$ 7,878,000	$ 9,799,000
Accts. payable & accruals	238,835,000	216,683,000
Income taxes	108,635,000	101,429,000
Cap. lease oblig., curr.	5,265,000	5,024,000
Curr. Liabilities	$ 360,613,000	$ 332,935,000
Long-term debt	164,060,000	165,929,000
Defer. compensation	12,978,000	9,546,000
Other deferred credits	18,302,000	18,525,000
Deferred inc. taxes	37,053,000	36,186,000
Defer. investment credit	15,598,000	13,963,000
Cap. lease oblig.	85,643,000	90,465,000
+ Preferred stock: 4¼% Series A	15,336,000	15,336,000
+ + Common stock	40,614,000	40,413,000
Add. paid-in capital	70,558,000	68,289,000
Retained earnings	388,161,000	330,070,000
Treasury stock	(11,635,000)	(6,615,000)
Total Liabilities & Shareholders' Equity	$1,197,281,000	$1,115,042,000

† Restated to reflect capital lease obligations.
* At lower of cost (FIFO) or market; LIFO cost, which is lower than market for about 55% of remaining inventory.
# Less accumulated depreciation.
+ $100 par value.
+ + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.40	9.74
%Net Income to Sales	3.71	4.80
%Net Income to Equity	15.19	13.78
Sales to Inventories	6.72	4.41
Working Capital	$122,259,000	$130,711,000
Current Ratio	1.34	1.39
Shareholders' Equity	$503,034,000	$447,493,000

Malone & Hyde, Inc.

1991 Corporate Avenue
Memphis, Tennessee 38132
(901) 345-4200

Officers: Joseph R. Hyde, III; chairman of the board; Arthur C. Best, vice chairman; Peter Formanek, group v.p. -drug stores & service merchandising; Thomas M. Garrott, III, group v.p.-retail food & food service; John E. Moll, group v.p.-wholesale food distribution; Walter W. Rotchild, jr., group v.p. -finance & administration; J. Lester Crain, Jr., v.p. -general counsel & secretary; Lawrence L. Crane, Jr., v.p. -wholesale food distribution; Dan R. Scott, treasurer.

Directors: Joseph R. Hyde III, Arthur C. Best, Paul T. Graves, Margaret R. Hyde, Robert C. Rogers, Frederick W. Smith, Carl S. Petty.

Business Activities: Operates wholesale food operations, retail food chains, drug stores, trading stamp redemption centers and related operations primarily throughout the South Central states.

Malone & Hyde, Inc.

Divisions & Subsidiaries:

Wholesale Food

Malone & Hyde, Inc.
1700 Dunn Avenue
P. O. Box 617
Memphis, Tennessee 38106
(901) 948-6701

Northgate Industrial Park
North Interstate 55
Goodlettsville, Tennessee 37072
P. O. Box 540
Nashville, Tennessee 37202
(615) 859-4171

Eason Boulevard
P. O. Box 869
Tupelo, Mississippi 38801
(601) 842-6851

1500 West Malone
P. O. Box 988
Sikeston, Missouri 63801
(314) 471-2262

41-A Ragland Road
Bells Highway
P. O. Box 249
Jackson, Tennessee 38301
(901) 668-3050

650 So. 23rd Street
P. O. Box 3828
Beaumont, Texas 77704
(713) 842-5850

4701 Central Avenue
P. O. Box 4828
Monroe, Louisiana 71201
(318) 387-2000

359 Kessler Mill Road
P. O. Box 1019
Salem, Virginia 24153
(703) 389-5481

Route 1, Baker Lane
P. O. Drawer B
Nicholasville, Kentucky 40356
(606) 885-9431

3475 N.W. 60th Street
P. O. Box 520427
Miami, Florida 33152
(305) 696-1580

Malone & Hyde Food Service
Beaumont, Texas
Memphis, Tennessee
Nashville, Tennessee

Retail Food and Drug

Memphis Giant Foods of America
888 South White Station Road
Memphis, Tennessee 38117
(901) 767-0254

Hyde Park Foods
1451 Union Avenue
Memphis, Tennessee 38104
(901) 278-7200

Sureway Food Stores
1525 South Green Street
P. O. Box 22
Henderson, Kentucky 42420
(502) 827-9883

Fairway Markets
438 West Kaley Street
Orlando, Florida 32806
(305) 425-2783

Super D Drugs
4681 Burbank Road
Memphis, Tennessee 38118
(901) 794-8660

Sommers Drug Stores
3130 East Houston Street
P. O. Box 2240
San Antonio, Texas 78298
(512) 226-9281

Petty's Drug Company
6115 Baseline Road
Little Rock, Arkansas 72209
P. O. Box 2300
Little Rock, Arkansas 72203
(501) 562-3360

Related Operations

Drug Distributors and Service Merchandising
4681 Burbank Road
Memphis, Tennessee 38118
(901) 794-8660

M&H Financial Corp.
1991 Corporate Avenue
Memphis, Tennessee 38132
(901) 345-4340

Hyde Insurance Agency
1991 Corporate Avenue
Memphis, Tennessee 38132
(901) 345-4300

Quality Stamp Company
4690 Hungerford Road
Memphis, Tennessee 38118
(901) 363-6351

Quality Premium Company
4690 Hungerford Road
Memphis, Tennessee 38118
(901) 363-6351

Quality Travel Agency
1991 Corporate Avenue
Memphis, Tennessee 38132
(901) 345-4290

Living Homes Company
50 East 5th Street
Apopka, Florida 32703
(305) 886-8999

Acquisition:

Sunset Sports Centers
A chain of 24 retail sporting goods stores and 6 factory liquidations based in Salt Lake City.

Transfer Agent(s):

First Tennessee Bank, N.A.
P. O. Box 84
Memphis, Tennessee 38101

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Philadelphia

Ticker Symbol: MHI

Number of Stores: (at fiscal year end)

	Supermarkets	Drug Stores
1979	44	148
1978	44	106
1977	34	34
1976	35	34
1975	37	38

Sales and Earnings†

	Net Sales ‡	Net Income	No. of Com. Shares ≠	Earn. per Share ≠
1979*	$1,615,838,000	$ 21,267,000	$ 7,392,000	$2.88
1978	1,383,187,000	17,862,000	6,926,000	2.58
1977	1,197,139,000	15,224,000	6,816,000	2.23
1976	1,007,895,000	13,789,000	6,743,000	2.04
1975	887,176,000	11,936,000	6,667,000	1.79

* 53 weeks.
† Restated to reflect capitalization of leases.
‡ Includes other income; of continuing operations only.
≠ Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Wholesale food	$1,274,900	78.9%	$1,117,000	80.8%
Retail food & drug stores	315,600	19.5	243,800	17.6
Stamps & travel	25,300	1.6	22,300	1.6
Total	$1,615,800	100.0%	$1,383,100	100.0%

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$0.96	—	—
1978	0.84	—	—
1977	0.68	—	—
1976	0.56	—	—
1975	0.43	10%	—

† Adjusted to reflect stock dividend.

Common Stock Equity‡

	Total Equity	Equity Per Share †
1979	$123,171,000	$16.66
1978	102,146,000	14.75
1977	88,260,000	12.95
1976	76,432,000	11.34
1975	65,320,000	9.80

‡ Restated to reflect capitalization of leases.
† Adjusted to reflect stock dividend.

Income Account*
(000's)

Year ended	6/30/79 (53 weeks)	6/24/78†
Net sales & other income	$ 1,615,838	$ 1,383,187
Cost of sales	1,446,411	1,247,104
Expenses	124,606	97,839
Interest expense	4,804	4,163
Other charges	2,830	1,984
Income before taxes	$ 37,187	$ 32,097
Income taxes	15,920	14,235
Net Income	$ 21,267	$ 17,862

* Included in Cost and Expenses, Depreciation and Amortization: $9,566,000 in 1979 and $8,334,000 in 1978.
† Restated to reflect capitalization of leases.

Assets
(000's)

As of	6/30/79	6/24/78†
Cash	$ 7,615	$ 7,451
Accts. & notes receiv., net	43,473	35,981
*Inventories	105,902	95,121
Prepaid expenses	3,581	3,017
Current Assets	$ 160,571	$ 141,570
≠Fixed assets	73,076	61,877
Other assets	20,552	18,416
Total Assets	$ 254,199	$ 221,863

Liabilities
(000's)

Long-term debt, curr.	$	779	$	680
Accts. payable & accruals		58,676		51,378
Trading stamp redemption		8,591		7,759
Dividends payable		1,753		1,444
Income taxes		3,280		3,646
Curr. Liabilities	$	73,079	$	64,907
Long-term debt		52,573		50,276
Other liabilities		5,376		4,534
+ Common stock		7,311		6,878
Add. paid-in capital		26,745		24,125
Retained earnings		89,115		71,143
Total Liabilities & Shareholders' Equity	$	254,199	$	221,863

† Restated to reflect capitalization of leases.
* At lower of cost or market: LIFO for wholesale groceries, FIFO for the remainder.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.30	2.32
%Net Income to Sales	1.32	1.29
%Net Income to Equity	17.27	17.49
Working Capital	$ 87,492,000	$ 76,663,000
Current Ratio	2.20	2.18
Shareholders' Equity	$123,171,000	$102,146,000

Manhattan Industries, Inc.

Corporate Offices:

1271 Avenue of the Americas
New York, New York 10020
(212) 265-3700

Administrative Offices:

25 DeBoer Drive
Glen Rock, New Jersey 07452
(201) 447-2000

Officers: Laurence C. Leeds, Jr., chairman of the board & president; Donald H. Kallman, vice chairman of the board, exec. v.p. & general counsel; Louis C. Stengel, Jr., chairman of the executive committee; Samuel M. Miller, v.p. & controller; Bruce P. Fogwell, v.p.-advertising & public relations; Keith D. McElwain, secretary.

Directors: Roy M. Goodman, Thomas Hoving, Frederick Werner Hamm, Donald H. Kallman*, James C. Kellogg III, Laurence C. Leeds, Jr.*, Jack Lyons, Irving Matthews, Vera Neumann, Irving Silverman, Carl Spielvogel, Louis C. Stengel, Jr.*.

* Member of Executive Committee.

Business Activities: Manufactures and retails men's, women's and children's apparel. The Apparel Division consists of three companies manufacturing men's wear, five women's wear, and two manufacturing children's wear. The Retail Division is composed of three regional groups with 43 stores. The Company's International Division represents Manhattan Industries around the world with 35 Manhattan licensees operating in 51 countries. The major specialty store, Frost Brothers, Inc. in San Antonio, Texas has ten stores. The 21 stores operated by Manhattan Ward, Inc., located in Pennsylvania and Delaware sell men's clothing and men's furnishings; these stores are called Eugene Jacobs and The Hub. Napolean Nash, with twelve stores, sells men's clothing and furnishings in and around Oklahoma City.

Divisions & Subsidiaries:

Apparel Division:

Men's Wear

The Manhattan Shirt Company
1271 Avenue of the Americas
New York, New York 10020
(212) 215-3700

Manufactures and sells men's shirts; sportshirts, sport knits, and pajamas. Manufacturing plants: Americus, Ga.

Manhattan Accessories Division
1271 Avenue of the Americas
New York, New York 10020

Berkley Cravats, Inc.
1271 Avenue of the Americas
New York, New York 10020
(212) MU 5-3163

Markets men's neckwear and furnishings. Mfg. plant: New York, N.Y.

Harness House
1271 Avenue of the Americas
New York, New York 10020
(212) 581-5150

Manufactures and sells men's and young men's belts, wallets and small leather goods. Mfg. plant: New Berlinville, Pa.

John Henry for Men
1271 Avenue of the Americas
New York, New York 10020

Markets men's shirts, sportshirts and accessories.

Women's Wear

The Lady Manhattan Company
1407 Broadway
New York, New York 10018
(212) 265-3700

Manufactures and sells misses shirts, blouses and sportswear. Mfg. plant: Scranton, Pa., Jesup, Ga.

The Vera Companies
1411 Broadway
New York, New York 10018

Manufactures and sells women's sportswear, dresses, scarves and table linens. Mfg. plants: Ossining, N.Y., Grafton, W.Va.

Halston V & VI
1407 Broadway
New York, New York 10018

Manufactures and sells women's coordinates and blouses.

Amanda
1407 Broadway
New York, New York 10018

Manufactures and sells contemporary women's shirts and blouses.

John Henry For Women
1411 Broadway
New York, New York 10018

Markets women's shirts and tops.

Bayard Sport/Lanvin
2600 Douglas Road
Coral Gables, Florida 33134

Manufactures and sells ladies' dresses and shirts. Mfg. plant: Coral Gables, Fla.

Children's Wear

The Sea Isle Companies
112 West 34th Street
New York, New York 10001
(212) OX 5-8480

Manufactures and sells girl's sportswear, knitwear and blouses. Mfg. plant: Wilkes-Barre & Glen Lyon, Pa.

Pelican Fashion Industries, Inc.
1198 West 23rd Street
Hialeah, Florida

Manufactures and sells girls' sportswear and swim wear. Mfg. plants: Hialeah, Labelle, & Davie, Fla.

Retail Division

Frost Bros., Inc.
217 East Houston Street
San Antonio, Texas 78295
(512) CA 6-7131

Napoleon Nash, Inc.
5005 West Reno
Oklahoma City, Oklahoma 73112
(405) 946-9758

Manhattan Ward, Inc.
550 Brook Road
Conshohocken, Pennsylvania 19428
(215) 925-3700

International Division

Manhattan International
1271 Avenue of the Americas
New York, New York 10020
(212) 265-3700

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: MHT

Number of Stores: (at fiscal year end)

1980	57	1977	51
1979	59	1976	46
1978	54		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 354,190	$ (13,150)
1979	349,395	8,949
1978	300,485	6,413
1977	271,676	6,002
1976	236,283	4,172

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,685,000	$ —
1979	2,703,000	2.98
1977	2,680,000	2.06

(Loss)
‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1980	1979
Apparel manufacturing	$216,808,000	$221,773,000
Specialty store retailing	147,229,000	137,072,000
Inter-company sales	(9,847,000)	(9,450,000)
Total	$354,190,000	$349,395,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.30	4%	—
1979	0.225	4%	—
1978	0.20	4%	—
1977	0.15	—	—
1976	0.05	—	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 41,505,000	$15.46
1979	56,074,000	20.75
1978	48,528,000	18.11

Manhattan Industries, Inc.

‡ After allowing for convertible and non-convertible preferred stock at involuntary liquidation values.
# Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended Jan. 31		1980		1979
Net sales	$	354,190	$	349,395
Cost of sales		257,325		241,171
Expenses		94,400		90,426
Interest expense		11,421		8,445
Other income		(3,337)		(3,705)
Inc. on dispos. of invest.		–		(7,178)
Loss on dispos. of oper.		16,931		5,987
Income (loss) before taxes	$	(22,550)	$	14,249
Income taxes (credit)		(9,400)		5,300
Net Income (Loss)	$	(13,150)	$	8,949

* Included in Costs and Expenses, Depreciation and Amortization: $4,456,000 in 1980 and $3,991,000 in 1979.

Assets
(000's)

As of Jan. 31		1980		1979
Cash	$	4,245	$	4,412
Accts. receiv., net		27,197		41,248
Receiv. on dispos. of invest.		–		9,825
Refund. inc. taxes		6,504		–
*Inventories		62,617		77,468
Prepaid expenses		2,378		3,566
Assets of certain oper.		15,063		–
Current Assets	$	118,004	$	136,519
Investments & other assets		6,383		5,315
#Fixed assets		17,846		18,693
Prop. under cap. leases		6,777		10,562
Intangibles		–		3,814
Total Assets	$	149,010	$	174,903

Liabilities
(000's)

Notes payable	$	8,860	$	7,070
Long-term debt, curr.		4,494		4,698
Accts. payable		23,186		21,690
Accruals		8,259		11,050
Income taxes		–		6,993
Curr. Liabilities	$	44,799	$	51,501
Long-term debt		44,707		46,409
Cap. lease oblig.		6,922		11,202
Deferred inc. taxes		5,095		3,703
Other liabilities		2,351		2,169
Redeem. preferred stock		360		450
+Preferred stock		3,271		3,395
+ +Common stock		13,092		12,715
Add. paid-in capital		12,649		11,936
Retained earnings		15,849		31,659
Treasury stock		(85)		(236)
Total Liabilities & Shareholders' Equity	$	149,010	$	174,903

* At lower of cost (average method for manufacturing operations and retail method of retail stores operations) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	–	4.08
%Net Income to Sales	–	2.56
%Net Income to Equity	–	15.05
Sales to Inventories	5.66	4.51
Working Capital	$ 73,205,000	$ 85,018,000
Current Ratio	2.63	2.65
Shareholders' Equity	$ 44,776,000	$ 59,469,000

Marks & Spencer Canada Inc.

(formerly Peoples Department Stores Ltd.)

3770 Nashua Drive
Mississauga, Ontario L4T 3R1
Canada
(514) 731-7554

Officers: Marcus Sieff, chairman; Derek Rayner, Michael M. Sacher, vice chairmen; Abe Gold, president; John A. Hoare, treasurer; P. Andre Gervais, secretary.

Directors: Abe Gold, William W. Laird, Anthony S. Orton, Derek Rayner, Michael M. Sacher, John H.M. Samuel, Marcus Sieff, Robert E. Connolly, Darrel A. Hayes, Donald M. Deacon, James H. McPake.

Business Activities: Operates a chain of retail stores across Canada, through three divisions. Marks & Spencer Division operates a retail chain specializing in family clothing, household textiles and food specialities (all under the "St. Michael" brand). Peoples Division operates a medium to low priced junior department store chain. D'Allaird's Division operates a chain of women's apparel stores.

Transfer Agent:

Canada Permanent Trust Company
Montreal, Quebec, Canada
Toronto, Ontario, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbols: PDSM, PDST

Number of Stores: (at fiscal year end)

1979	180	1976	178
1978	178	1975	182
1977	168		

Sales and Earnings

	Net Sales	Net Income †
1/31/80	$179,601,000	$ 3,300,000
1/31/79 +	151,844,000	(1,250,000)
7/31/78	140,708,000	(3,760,000)
7/31/77	130,958,000	(666,000)
7/31/76	112,355,000	(10,164,000)

	No. of Com. Shares	Earn. per Share † +
1/31/80	4,807,138	$0.69
1/31/79 +	4,769,638	–
7/31/78	4,769,638	–
7/31/77	4,769,638	–
7/31/76	4,769,638	–

(Loss)
+ Unaudited.
† Including extraordinary gains of $950,000 ($0.20 per share) in 1980, $950,000 in 1977 and extraordinary losses of $2,330,000 in 1979, $2,917,000 in 1978 and $7,000,000 in 1976.
+ Based on the weighted average number of shares outstanding during each year.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1/31/80	$–	–	–
1/31/79	–	–	–
7/31/78	–	–	–
7/31/77	–	–	–
7/31/76	0.05	–	–

Common Stock Equity

	Total Equity ‡	Equity Per Share
1/31/80	$ 15,003,000	$3.12
1/31/79	11,148,000	2.34
7/31/78	12,398,000	2.60

‡ After allowing for preferred stock at par value.

Income Account
(000's)

Year ended Jan. 31		1980		1979 +
Net sales	$	179,601	$	151,844
Cost of sales & expenses		159,072		135,067
Rent expense		13,645		12,389
Depreciation & amortization		2,743		1,646
Interest expense		841		1,220
Income before taxes	$	3,300	$	1,522
Income taxes		950		442
Net Income	$	2,350	$	1,080
Extraord. gain (loss)		950		(2,330)
Net Income & extraordinary items	$	3,300	$	(1,250)

+ Unaudited.

Assets
(000's)

As of Jan. 31		1980		1979
Accts. receiv., net	$	580	$	873
Refundable taxes		–		434
*Inventories		35,282		28,716
Prepaid expenses & other assets		1,584		1,079
Other assets		645		355
Current Assets	$	38,091	$	31,457
#Fixed assets		41,146		32,614
Other assets		1,364		1,165
Total Assets	$	80,601	$	65,236

Liabilities
(000's)

Bank advances	$	8,919	$	7,864
Accts. payable		15,098		15,341
Curr. Liabilities	$	24,017	$	23,205
Loan payable		35,000		–
Mortgage payable		3,081		383
Advances		–		10,000
Notes payable		–		17,000
+Preferred stock		3,500		3,500
+ +Common stock		9,749		9,194
Retained earnings		5,254		1,954
Total Liabilities & Shareholders' Equity	$	80,601	$	65,236

* At lower of cost and net realizable value.
# Less accumulated amortization.
+ $8.75 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.84	1.00
%Net Income to Sales	1.31	0.71
%Net Income to Equity	12.70	7.37
Sales to Inventories	5.09	5.29
Working Capital	$ 14,074,000	$ 8,252,000
Current Ratio	1.59	1.36
Shareholders' Equity	$ 18,503,000	$ 14,648,000

Mars Stores, Inc.

(formerly Mars Bargainland, Inc.)

One Riverside Avenue
New Bedford, Massachusetts 02746
(617) 999-3201

Officers: Matthew Tatelbaum, chairman of the board & treasurer; Samuel Katz, president; Erwin Stone, v.p.-dir. of operations; Benjamin Lederman, v.p.; Joseph A. Cerulli, controller; Frank Del Toro, asst. dir.-operations; Benjamin H. Lacy, clerk.

Directors: Matthew Tatelbaum, chairman; Samuel Katz, Paul Kwasnick, Ira R. Tatelbaum, H. Edith Katz, Calvin Siegel, Harvey Krentzman, Benjamin Lacy, Arch Richard Dooley.

Business Activities: Operates self-service discount department stores in Massachusetts and New Hampshire under the name Mars Stores.

Transfer Agent(s):

State Street Bank & Trust Company
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	7	1976	7
1978	7	1975	12
1977	7		

Sales and Earnings

	Net Sales	Net Income‡
1979	$ 17,635,067	$ 285,092
1978	14,416,656	270,921
1977*	12,751,672	14,599
1976	12,561,223	48,269
1975	13,834,851	(456,879)

	No. of Com. Shares	Earn. per Share ‡
1979	1,027,500	$0.28
1978	1,000,000	0.27
1977	1,000,000	0.01
1976	1,000,000	0.04
1975	1,000,000	–

(Loss)
* 53 weeks.
‡ Including extraordinary credits of $128,000 ($0.13 per share) in 1979, $119,000 ($0.12 per share) in 1978, $5,000 in 1977 and $12,000 ($0.01 per share) in 1976.

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$ 1,527,878	$1.49
1978	1,238,490	1.24
1977	970,569	0.97

‡ After allowing for preferred stock at redemption value of $105 per share.

Income Account*

Year ended	12/29/79	12/30/78 (53 weeks)
Net sales	$ 17,635,067	$ 14,416,656
Other income	579,518	602,691
Total income	$ 18,214,585	$ 15,019,347
Cost of sales	11,977,465	9,684,497
Expenses	5,761,065	4,867,872
Prov. for store closing	–	35,943
Interest expense	156,963	130,614
Income before taxes	$ 319,092	$ 300,421
Income tax	162,000	148,500
Net Income	$ 157,092	$ 151,921
Extraord. credit	128,000	119,000
Net Income & extraord. credit	$ 285,092	$ 270,921

* Included in Costs and Expenses, Depreciation and Amortization: $305,747 in 1979 and $298,449 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 814,907	$ 863,720
*Inventories	3,336,674	2,960,274
Other curr. assets	54,966	158,219
Current Assets	$ 4,206,547	$ 3,982,213
#Fixed assets	1,461,898	1,703,170
Other assets	186,201	172,852
Total Assets	$ 5,854,646	$ 5,858,235

Liabilities

Notes payable	$ 774,513	$ 572,303
Long-term debt, curr.	100,000	–
Cap. lease oblig., curr.	152,000	142,000
Accts. payable	1,539,827	1,899,604
Compensation & related taxes	168,175	137,713
State income taxes	4,878	22,500
Curr. Liabilities	$ 2,739,393	$ 2,774,120
Long-term debt	200,000	300,000
Cap. lease oblig.	1,348,000	1,501,000
+ Preferred stock	37,500	42,500
+ + Common stock	513,750	500,000
Add. paid-in capital	1,214,929	1,193,680
Retained earnings (deficit)	(170,973)	(453,065)
Unearned comp.	(27,953)	–
Total Liabilities & Shareholders' Equity	$ 5,854,646	$ 5,858,235

* At lower of cost (FIFO) or market, determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $100 par value, 8% cumulative.
+ + $0.50 par value.

Statistical Summary

%Income before Taxes to Sales	1.81	2.08
%Net Income to Sales	0.89	1.05
%Net Income to Equity	10.02	11.84
Sales to Inventories	5.29	4.87
Working Capital	$ 1,467,154	$ 1,208,093
Current Ratio	1.54	1.44
Shareholders' Equity	$ 1,567,253	$ 1,283,115

Marsh Supermarkets, Inc.

P.O. Box 155
Depot Street
Yorktown, Indiana 47396
(317)759-8101

Officers: William P. Givens, chairman of the board; Don E. Marsh, president; C. Alan Marsh, exec. vice president; P. Lawrence Butt, v.p. & counsel; Porter Eckerty v.p.-supermarket oprations; Kenneth D. Kelly, v.p.-warehousing & transportatin; Hartman W. Smith, v.p.-finance, secretary & treasurer; Mary B. Needler, asst. secretary & asst. treasurer; Lois A. Gross, asst. secretary.

Directors: Durwood S. Doyle, Jack E. Buckles, William P. Givens, Don E. Marsh, Estel V. Marsh, C. Alan Marsh, Garnet Marsh, Merritt Marsh, Van P. Smith, Charles R. Clark, Thomas L. Reese.

Business Activities: Operates supermarkets, drug stores, and Village Pantry convenience stores in Indiana and Ohio.

Division(s):

Village Pantry Division
Supermarket Division
Drug Division

All at:
Yorktown, Indiana 47396
(317)759-8101

Subsidiaries:

Mundy Realty, Inc.
Marsh Drugs, Inc.
Marsh Village Pantries, Inc.

All at:
Yorktown, Indiana 47396
(317) 759-8101

Convenience Store
Distributing Company
(unconsolidated; joint venture)

Transfer Agent(s):

The Indiana National Bank
Indianapolis, Indiana

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MARS (NASDAQ)

Number of Stores: (at fiscal year end)

	Super-markets	Village Pantries	Drug Stores
1980	66	118	10
1979	62	107	15
1978	55	98	6
1977	60	99	10
1976	59	93	7

Sales and Earnings

	Net Sales	Net Income
1980	$447,435,626	$ 4,018,671
1979	391,962,733	3,642,000
1978	337,886,912	3,324,000
1977	294,801,365	2,498,000
1976*	278,852,437	2,283,000

	No. of Com. Shares +	Earn. per Share ‡
1980	3,235,256	$1.24
1979	3,230,015	1.14
1978	3,143,158	1.06
1977	3,143,158	0.79
1976*	3,142,150	0.73

* 53 weeks.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.
+ Adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.32	–	–
1979	0.30	–	2-for-1
1978	0.28	–	–
1977	0.26	–	–
1976	0.225	–	–

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 26,901,598	$8.32
1979	23,891,052	7.40
1978	20,782,128	6.61

† Adjusted to reflect stock split.

Income Account*

Year ended	3/29/80	3/31/79
Net sales	$447,435,626	$391,962,733
Other income	1,618,358	1,243,183

Marsh Supermarkets, Inc.

Total income	$449,053,984	$393,205,916
Cost of sales	355,909,749	311,180,460
Expenses	84,329,487	73,690,646
Interest expense	3,350,077	2,934,795
Income before taxes	$ 5,464,671	$ 5,400,015
Income taxes	1,446,000	1,758,000
Net Income	$ 4,018,671	$ 3,642,015

* Included in Costs and Expenses, Depreciation and Amortization: $5,892,006 in 1980 and $4,934,536 in 1979.

Assets

As of	3/29/80	3/31/79
Cash & temp. invest.	$ 4,053,183	$ 802,951
Accts. & notes receiv. net	2,771,664	3,026,423
*Inventories	30,967,775	29,021,356
Prepaid expenses	1,433,317	1,051,160
Current Assets	$ 39,225,939	$ 33,901,890
#Fixed assets	35,045,035	31,799,629
Other assets	2,786,474	2,506,780
Cap. lease property	20,203,624	14,461,172
Total Assets	$ 97,261,072	$ 82,669,471

Liabilities

Long-term debt, curr.	$ 614,278	$ 387,372
Oblig. under cap. leases, curr.	1,185,264	1,193,469
Accts. payable	19,197,071	15,205,475
Accruals	2,039,911	2,033,186
Accrued payroll	3,910,136	3,777,044
Dividends payable	258,820	242,251
Taxes	2,137,205	1,988,459
Curr. Liabilities	$ 29,342,685	$ 24,827,256
Long-term debt	18,595,146	17,228,279
Cap. lease oblig.	20,482,613	15,238,591
Deferred inc. taxes	1,550,515	1,071,921
Other defer. items	388,515	412,372
+Common stock	8,879,716	8,854,075
Retained earnings	19,320,280	16,335,375
Treasury stock	(1,298,398)	(1,298,398)
Total Liabilities & Shareholders' Equity	$ 97,261,072	$ 82,669,471

* Supermarket and warehouse inventories of food products stated at cost (LIFO). All other inventories at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.22	1.38
%Net Income to Sales	0.90	0.93
%Net Income to Equity	14.94	15.24
Sales to Inventories	14.45	13.51
Working Capital	$ 9,883,254	$ 9,074,634
Current Ratio	1.34	1.37
Shareholders' Equity	$ 26,901,598	$ 23,891,052

Marshall Field & Company

25 East Washington Street
Chicago, Illinois 60690
(312) 236-7272

Officers: Angelo R. Arena, president; George G. Rinder, sr. exec. v.p.; Arthur E. Osborne, Thomas P. Bagan, executive v.p.'s; William R. Breuner, George P. Kelly, sr. v.p.'s; H. John Toomire, v.p. & comptroller; Paul R. Obert, v.p.-law & secretary; James E. Ryan, v.p.-finance & treasurer; Bruce B. Howat, asst. secretary & asst. counsel; Henry W. Barkhausen, asst. treasurer.

Directors: Angelo R. Arena*, Edward McC. Blair*, Howard M. Packard, Jean Allard, Arthur E. Osborne, George G. Rinder, Albert B. Dick III*, Harold Byron Smith, Jr.*, William R. Breuner, George P. Kelly, Richard N. Rosett*, Vernon R. Loucks, Jr.

* Member of Executive Committee.

Business Activities: Operates a chain of department stores in the Chicago, Milwaukee, Cleveland, Akron, Erie (Pennsylvania), Seattle, Spokane, Tacoma, Northern California, Western Nevada, and Central Arizona areas. Also engaged in a real estate venture and a hotel venture.

Division(s):

Chicago Stores Division
111 North State Street
Chicago, Illinois 60602
(312) 781-1000

Frederick & Nelson Division
5th and Pine Streets
Seattle, Washington 98101
(206) 682-5500

The Crescent (Spokane Dry Goods Co.)
W. 710 Riverside Avenue
Spokane, Washington 99201
(509) 838-3311

Halle's (The Halle Bros. Co.)
1228 Euclid Avenue
Cleveland, Ohio 44115
(216) 621-2700

John Breuner Company
3201 Fostoria Way
San Ramon, California 94583

Contract Sales Divisions
201 Merchandise Mart
Chicago, Illinois 60654
(312) 527-1991

1228 Euclid Avenue
Cleveland, Ohio 44115
(216) 621-2700

509 Olive Way
Seattle, Washington 98101
(206) 682-5500

S. 152 Lincoln
Spokane, Washington 99204
(509) 838-3311

Real Estate Division
Mafco, Inc.
Chicago, Illinois
(312) 236-7272

Information Systems Division
Chicago, Illinois
(312) 781-1000

Transfer Agent(s):

Continental Illinois National Bank
and Trust Company of Chicago
Chicago, Illinois

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Midwest

Ticker Symbol: MF

Number of Stores: (at fiscal year end)

1980	60	1977	31
1979	53	1976	30
1978	31		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$904,295,898	$ 18,939,967
1979	762,590,408	20,792,845
1978	662,658,797	15,882,761
1977	609,923,734	18,136,647
1976	573,778,899	19,216,223

	No. of Com. Shares	Earn. per Share
1980	10,250,024	$1.85
1979	10,250,024	2.22
1978	9,058,165	1.75
1977	9,054,065	2.00
1976	9,054,065	2.12

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.24	—	—
1979	1.24	—	—
1978	1.24	—	—
1977	1.24	—	—
1976	1.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$274,030,218	$26.73
1979	267,809,642	26.13
1978	238,585,374	26.34

Income Account

Year ended	2/2/80	2/3/79
Net sales	$904,295,898	$762,590,408
Cost of sales & expenses	766,575,169	641,836,203
Expenses:		
dvertising	31,014,878	25,523,351
Maintenance	8,544,515	8,286,082
Rental	7,709,136	5,444,801
Depreciation & amortization	16,312,012	13,064,316
Taxes	28,470,573	25,162,327
Loss (gain) from rl. est. venture	(292,229)	1,314,359
Loss from rl. est. venture	—	115,452
Gain on land sale	—	(3,447,007)
Interest expense	10,491,877	6,763,679
Income before taxes	$ 35,469,967	$ 38,526,845
Income taxes	16,530,000	17,734,000
Net Income	$ 18,939,967	$ 20,792,845

Assets

As of	2/2/80	2/3/79
Cash	$ 2,822,626	$ 10,124,674
Receiv., net	134,089,428	117,689,767
*Inventories	146,628,373	135,754,871
Prepaid expenses	8,772,658	7,083,118
Current Assets	$292,313,085	$270,652,430
#Rental furn. inven.	8,559,467	6,973,859
Investment	23,123,129	24,058,412
#Fixed assets	206,961,829	175,448,080
Cap. lease oblig.	34,843,525	32,372,043
Total Assets	$565,801,035	$509,504,824

Liabilities

Notes payable	$ 32,385,000	$ 4,870,000
Long-term debt & cap. lease oblig., curr.	3,109,084	2,787,196
Accts. payable	46,739,095	40,136,064
Accruals	48,421,258	46,988,406
Income taxes	18,570,177	20,479,190
Curr. Liabilities	$149,224,614	$115,260,856
Long-term debt	77,583,943	67,345,381
Cap. lease oblig.	37,362,808	34,622,535
Defer. invest. credit	5,644,305	4,562,392
Deferred inc. taxes	21,768,623	19,627,274
+Redeem. pref. stock	186,524	276,744
+ +Common stock	10,344,030	10,344,030
Add. paid-in capital	48,319,659	48,319,131
Retained earnings	217,864,099	211,644,051
Treasury stock	(2,497,570)	(2,497,570)
Total Liabilities & Shareholders' Equity	$565,801,035	$509,504,824

* At (LIFO) cost, not in excess of market; John Breuner Co. at lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value; $2.40 cumulative dividend, nonconvert.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.92	5.05
%Net Income to Sales	2.09	2.73
%Net Income to Equity	6.91	7.76
Sales to Inventories	6.17	5.62
Working Capital	$143,088,471	$155,391,574
Current Ratio	1.96	2.35
Shareholders' Equity	$274,030,218	$267,809,642

C. H. Masland & Sons

Carlisle, Pennsylvania 17013
(717) 249-1866

Officers: Frank E. Masland III, chairman of the board; William S. Masland, president &chief executive officer; Robert W. Morris, v.p.-automotive products; Edmund C. Peach, Jr., v.p.-floorcovering products; Daniel L. Masland, v.p.- automotive purchasing & product development; Charles H. Masland III, v.p.-research; Mrs. Lee Kolker, v.p.-styling; Michael L. Clymin, v.p.-floor covering purchasing & product development; Beryl C. Gardner, secretary-treasurer.

Directors: Frank E. Masland III, chairman; Robert G. Erskine, Beryl C. Gardner, Charles H. Masland III, George N. Morris, Robert W. Morris, Daniel L. Masland, John R. Young, William S. Masland, Lawrence B. Kelley.

Business Activities: Engaged in the manufacture and sale of carpets for use as floor covering in homes, commercial and institutional buildings and vehicles. Through its Dawson Division, the company is a supplier of building supplies and home furnishing products to builder and retail customers in the Springfield, Ill., and Peoria, Ill. marketing areas. Sales offices and showrooms are maintained in New York, Atlanta, Chicago, Dallas, Detroit and San Francisco.

Subsidiary:

Masland Carpets of Canada, Ltd.
Toronto, Canada

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: MLD

Number of Stores: (at fiscal year end)

1979	2	1976	2
1978	2	1975	2
1977	2		

Sales and Earnings

	Net Sales	Net Income
1979	$166,497,000	$ (2,936,000)
1978	175,537,000	2,516,000
1977	157,908,000	3,608,000
1976	131,312,000	3,126,000
1975	116,968,000	1,601,000

	No. of Com. Shares +	Earn. per Share +
1979	1,527,000	$ —
1978	1,525,000	1.65
1977	1,517,000	2.38
1976	1,522,000	2.05
1975	1,524,000	1.05

(Loss)
+ Based on weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1979	1978
Carpet products	$134,570,000	$136,548,000
Dawson division	31,927,000	39,420,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.40	—	—
1978	0.65	—	—
1977	0.60	—	—
1976	0.55	—	—
1975	0.10	—	

Common Stock Equity

	Total Equity	Equity Per Share +
1979	$ 33,088,000	$21.67
1978	36,574,000	23.98
1977	34,928,000‡	23.02
1976	31,977,000‡	21.01

‡ After allowing for preferred stock at par value.
+ Based on weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$166,249,000	$175,537,000
Other income	248,000	431,000
Total income	$166,497,000	$175,968,000
Cost of sales	143,707,000	146,076,000
Expenses	25,644,000	22,594,000
Interest expense	3,344,000	2,431,000
Income before taxes (loss)	$ (6,198,000)	$ 4,867,000
Income taxes (loss)	(3,262,000)	2,351,000
Net Income (Loss)	$ (2,936,000)	$ 2,516,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,673,000 in 1979 and $2,574,000 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 2,847,000	$ 3,106,000
Accts. & notes receiv., net	22,510,000	29,815,000
* Inventories	28,013,000	30,599,000
Other assets	1,122,000	533,000
Recoverable inc. taxes	3,663,000	346,000
Current Assets	$ 58,155,000	$ 64,399,000
# Fixed assets	16,238,000	15,309,000
Other assets	946,000	1,307,000
Intangibles	1,203,000	1,240,000
Total Assets	$ 76,542,000	$ 82,255,000

Liabilities

Notes payable	$ 7,500,000	$ 11,500,000
Long-term debt, curr.	1,080,000	884,000
Accts. payable	11,728,000	10,422,000
Other liabilities	3,134,000	3,221,000
Curr. Liabilities	$ 23,442,000	$ 26,027,000
Long-term debts	18,340,000	18,235,000
Deferred taxes other	1,672,000	1,419,000
+ Common stock	2,547,000	2,517,000
Add. paid-in capital	9,524,000	9,493,000
Retained earnings	21,017,000	24,564,000
Total Liabilities & Shareholders' equity	$ 76,542,000	$ 82,255,000

* At lower of cost (40% at LIFO; remainder at FIFO) or market.
# Less accumulated depreciation.
+ $1⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.77
%Net Income to Sales	—	1.43
%Net Income to Equity	—	6.88
Sales to Inventories	5.93	5.74
Working Capital	$ 34,713,000	$ 38,372,000
Current Ratio	2.48	2.47
Shareholders' Equity	$ 33,088,000	$ 36,574,000

Masters, Inc.

725 Summa Avenue
Westbury, New York 11590
(516) 997-8000

Officers: Louis Biblowitz, chairman of the board; Max Biblowitz, vice chairman of the board; Joshua Biblowitz, president; Jerome Zelin, Saul Newman, vice presidents; Joseph Greenspan, secretary; Robert Gordonson, treasurer.

Directors: Louis Biblowitz, chairman; Max Biblowitz, Joshua Biblowitz, Jerome Zelin, Saul Newman, Patrick Clifford, Joseph Greenspan, Sheldon Weiss.

Business Activities: Operates three Masters full-service promotional department stores; Lady Rose leased ladies' and children's apparel departments in major department stores; ladies' apparel specialty stores; and men's apparel departments in company-operated department stores and other stores. Stores and leased departments are located in New York, New Jersey, Connecticut, Ohio, Texas, Pennsylvania, Indiana, Michigan and Minnesota.

Division(s):

Masters Division
Full-service promotional department stores.

Lady Rose Division
Leased ladies' and children's apparel departments in major department stores and ladies' and children's apparel stores, operating under the names Susan Terry, Lady Rose and Urdang's.

Lord Bibb Division
Leased men's apparel departments.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: MSR

Number of Stores: (at fiscal year end)

	Dept. Stores	Specialty Stores	Leased Depts.
1980	2	14	64
1979	3	13	69
1978	3	12	68
1977	7	12	63
1976	8	12	57

Sales and Earrings

	Net Sales	Net Income
1980	$ 85,118,915	$ 986,954
1979	82,788,408	2,259,671
1978	78,550,380	(110,133)
1977	88,207,203	788,858
1976	74,452,952	335,399

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,193,224	$0.83
1979	1,193,224	1.89
1978	1,193,224	—
1977	1,193,224	0.66
1976	1,193,224	0.28

(Loss)
‡ Based on weighted average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Retail discount stores	$ 11,024	$ 12,867
Retail leased & specialty depts.	75,155	71,075

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 18,861,082	$15.81
1979	17,874,128	14.98
1978	15,614,457	13.09
1977	15,724,590	13.18

‡ Based on weighted average number of shares outstanding.

Income Account

Year ended	2/2/80	2/3/79
Net sales	$ 85,118,915	$ 82,788,408
Other income	1,558,569	1,519,597
Total income	$ 86,677,484	$ 84,308,005
Cost of sales	65,092,184	62,390,841
Expenses	16,120,685	15,602,480
Depreciation	774,645	810,374
Interest expense	585,755	616,298
Loss on subleased stores	251,562	282,877
Losses related to closings	2,088,949	—
Income before taxes	$ 1,763,704	$ 4,605,135
Income taxes	776,750	2,345,464
Net Income	$ 986,954	$ 2,259,671

Assets

As of	2/2/80	2/3/79
Cash	$ 4,283,186	$ 3,227,794
Cert. of deposit	500,000	4,000,000
Comm. notes	2,900,000	1,750,000
Accts. receiv., net	649,186	1,045,342
Long-term receiv., curr.	313,077	522,277
Refundable taxes	1,615,000	89,669
*Inventories	12,082,571	13,643,579
Prepaid expenses	749,662	866,504
Current Assets	$ 23,092,682	$ 25,145,165
#Fixed assets	1,940,282	2,196,197
Cap. leases	7,244,756	9,665,469
Other assets	4,625,448	4,145,866
Total Assets	$ 36,903,168	$ 41,152,697

Liabilities

	2/2/80	2/3/79
Long-term debt, curr.	$ 235,492	$ 179,447
Cap. lease oblig., curr.	325,557	350,846
Accts. payable	5,099,284	6,177,456
Accruals	1,464,198	1,210,670
Income taxes	—	2,193,000
Accrued taxes	688,354	676,593
Deferred inc. taxes	18,900	85,913
Liab. rel. to store clos.	751,677	—
Curr. Liabilities	$ 8,583,462	$ 10,873,925
Long-term debt	354,811	702,995
Cap. lease oblig.	9,103,813	11,701,649
+Common stock	1,201,624	1,201,624
Add. paid-in capital	4,082,815	4,082,815
Retained earnings	13,648,864	12,661,910
Treasury stock	(72,221)	(72,221)
Total Liabilities & Shareholders' Equity	$ 36,903,168	$ 41,152,697

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.07	5.56
%Net Income to Sales	1.16	2.73
%Net Income to Equity	5.23	12.64
Sales to Inventories	7.04	6.07
Working Capital	$ 14,509,220	$ 14,271,240
Current Ratio	2.69	2.31
Shareholders' Equity	$ 18,861,082	$ 17,874,128

The May Department Stores Company

611 Olive Street
St. Louis, Missouri 63101
(314) 247-0300

Officers: John W. Boyle, chairman of the board; David C. Farrell, president & chief executive officer; Raymond L. Klauer, vice chairman of the board & pres.-dept stores; Jerome T. Loeb, Henry A. Lay, Zackary Solomon, Frank W. Clark, Jr., executive vice presidents; Otto E. Becker, Albert Halsband, Dale W. Hilpert, Bill L. Lucas, Lonny J. Jay, sr. v.p.'s; Herbert A. Mack, sr. v.p. & secretary; Wilbur D. May, vice president; Steven Douglass, v.p.-corp. planning & analysis; Richard W. Honerkamp, v.p. & treasurer.

Directors: David E. Babcock, Frank W. Clark, Jr.*, Stanley J. Goodman, Richard R. Shinn, Morton D. May, Wilbur D. May*, Raymond L. Klauer*, David C. Farrell*, John W. Hanley, James L. Hayes, John W. Boyle*, Joan Ganz Cooney, Henry A. Lay*, J.S. Webb, Murray L. Weidenbaum, Edward H. Meyer, Louis Pozez*.

* Member of Executive Committee.

Division(s):

The M. O'Neil Company
Akron, Ohio
(Branches: Belden Village, Canton Plaza, Chapel Hill, Coshocton, Richland Mall, Mellett Mall, Stow-Kent, Rolling Acres, Summitt Mall)

The Hecht Co.
Baltimore, Maryland
(Branches: Annapolis, Salisbury, Northwood, Reisterstown Road Plaza, Security Square, Golden Ring Mall).

The Hecht Co.
Washington, D.C.
(Branches: Landmark, Laurel, Manassas Mall, Marlow Heights, Montgomery Mall, Parkington, Prince George Plaza, Silver Spring, Landover Mall, Tyson's Corner, Lake Forest, Columbia).

The May Co.
Cleveland, Ohio
(Branches: Great Lakes Mall, Great Northern, Sandusky, Parmatown, Randall Park, Sheffield, Southgate, University Heights, Euclid Square Mall).

May - D & F
Denver, Colorado
(Branches: Bear Valley, Fort Collins, Colorado Springs, Aurora, University Hills, Westland, North Valley, Southglenn).

G. Fox & Co.
Hartford, Connecticut
(Branches: Waterbury, Meriden, Enfield, Westfarms Mall, Trumbull Mall, Midland Mall)

May-Cohens
Jacksonville, Florida
(Branches: Regency Square, Roosevelt Mall, Gateway, Daytona Beach, Orange Park).

Kaufmann's
Pittsburgh, Pennsylvania
(Branches: McKnight Road, Monroeville, Mt. Lebanon, Ohio Valley Mall, Century III, Rochester, Steubenville, Erie, Westmoreland Mall).

Meier & Frank Company
Portland, Oregon
(Branches: Lloyd Center, Salem, Washington Square, Eugene-Springfield, Vancouver Mall).

Famous-Barr Co.
St. Louis, Missouri
(Branches: Clayton, Northland, Northwest Plaza, South County, Southtown, St. Clair Square, Springfield, West County, Crestwood, Frontenac Plaza, Alton Square, White Oaks Mall)

May Co.-California
Los Angeles, California
San Diego, California
(Branches: Arcadia, Buena Park, Crenshaw, Montclair Plaza, Eastland, Lakewood, San Bernardino, South Bay, South Coast Plaza, Topanga Plaza, Laurel Plaza, Eagle Rock Plaza, West Los Angeles, Whittier, Wilshire, Carlsbad, San Diego, Parkway Plaza, Oxnard, Los Cerritos, The City, Mission Viejo, LaJolla, Thousand Oaks, Westminster, Tyler Mall, Fox Hills Mall, Brea Mall)

Strouss
Youngstown, Ohio
(Branches: Austintown, Southern Park Mall, Eastwood Mall, Liberty Plaza; New Castle, Pa.; Salem, Ohio; Warren, Ohio; Sharon, Pa., Shenango Mall).

Venture Stores, Inc.
May Merchandising Corporation, New York
The May Stores Shopping Centers, Inc.
May Department Stores International, Inc.
The May Design and Construction Company
Eagle Stamp Company
Volume Shoe

Acquisition(s):

Volume Shoe Corporation (November 16, 1979)
3231 East Sixth Street
Topeka, Kansas 66601
Engaged in the self-service mass retailing of footwear.

Transfer Agent(s):

Irving Trust Company
One Wall Street
New York, New York 10015

Stock Exchange(s): New York, Pacific.

Ticker Symbol: MA

Number of Stores: (at fiscal year end)*

1980	984	1977	647
1979	809	1976	619
1978	704		

* Including Volume Shoe Corporation.

Sales and Earnings†

	Revenues ‡	Net Income
1980	$2,977,200,000	$114,000,000
1979	2,732,700,000	101,400,000
1978	2,390,000,000	91,900,000
1977	2,193,100,000	75,000,000
1976	2,024,600,000	70,500,000

	No. of Com. Shares #	Earn. per Share #
1980	28,916,000	$3.93
1979	28,691,000	3.52
1978	28,816,000	3.18
1977	28,853,000	2.59
1976	28,791,000	2.43

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Of continuing operations only.
# Based on average number of shares outstanding adjusted to reflect stock split.

Revenue by Line of Business
(000's)

	1980	1979
Department store companies	75%	77%
Venture discount stores	18	17
Volume Shoe	7	6
Total	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.37	–	–
1979	1.25	–	–
1978	1.15	–	–
1977	1.10⅔	–	3-for-2
1976	1.06⅔	–	–

+ Adjusted to reflect stock split.

Common Stock Equity‡

	Total Equity	Equity Per Share +
1980	$814,600,000	$28.12
1979	733,700,000	25.53
1978	660,900,000	23.17
1977	598,200,000	20.93
1976	551,700,000	19.29

‡ Restated to include operations of companies acquired on a pooling of interests basis.
+ Based on average number of shares outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended	2/2/80	2/3/79‡
Net sales	$ 2,956,519	$ 2,716,636
Other income	20,671	16,023
Total income	$ 2,977,190	$ 2,732,659
Cost of sales & expenses	2,426,024	2,227,923
Advertising & sales promo.	86,611	78,576
Depreciation & amortization	70,563	61,840
Maintenance & repairs	25,970	22,009
Lease rentals	26,831	19,404
Prof. sh. plan	13,230	12,696
Interest expense	39,941	39,935
Misc. taxes	69,523	64,172
Income before taxes	$ 218,497	$ 206,104
Income taxes	104,450	101,520
Income from cont. oper.	$ 114,047	$ 104,584
Loss from discont. oper	—	(3,171)
Net Income	$ 114,047	$ 101,413

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's

As of	2/2/80	2/3/79‡
Cash	$ 82,603	$ 23,075
Accts. receiv., net	636,468	580,832
*Inventories	411,854	370,161
Prepaid expenses	18,319	18,264
Current Assets	$ 1,149,244	$ 992,332
#Fixed assets	800,991	748,216
Investment in prop. under cap. lease	48,398	36,588
Other assets	108,303	75,686
Total Assets	$ 2,106,936	$ 1,852,822

Liabilities

	2/2/80	2/3/79‡
Notes payable & long-term debt, curr.	$ 24,054	$ 40,142
Accounts payable	262,899	221,750
Accruals	116,738	107,604
Income taxes	156,548	111,122
Curr. Liabilities	$ 560,239	$ 480,618
Long-term debt	535,691	475,553
Cap. lease oblig.	59,939	46,614
Other long-term liabil.	136,507	116,346
+Common stock	48,285	47,889
Add. paid-in capital	31,995	29,486
Retained earnings	734,280	656,316
Total Liabilities & Shareholders' Equity	$ 2,106,936	$ 1,852,822

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost or market. Stated at LIFO cost for dept. stores and Venture and at FIFO for Volume Shoe.
# Less accumulated depreciation.
+ $1.66⅔ par value.

Statistical Summary

%Net Income to Equity	14.00	13.82
Sales to Inventories	7.18	7.34
Working Capital	$589,005,000	$511,714,000
Current Ratio	2.05	2.06
Shareholders' Equity	$814,560,000	$733,691,000

Mayfair Super Markets, Inc.

681 Newark Avenue
Elizabeth, New Jersey 07208
(201) 964-7400

Officers: Stanley P. Kaufelt, chairman of the board, president & chief executive officer; Melvin Rosenhack sr. v.p.-real estate; Irving Kaufelt, secretary; Michael Shapiro v.p.-finance & administration & treasurer; Robert Vignoli, v.p.-store systems; Robert Kaufelt, v.p.-operations & asst. secretary; James Connors, v.p.-grocery; Larry Cuttler, v.p.-produce; Donald Kaplan, v.p.-dairy & appetizing; Carmine Venezia, v.p.-meat; Leonard Okyn, v.p.-human resource development; Sam De Laurence, v.p.-sales & merchandising.

Directors: Stanley P. Kaufelt, chairman of the board; Irving Kaufelt, Melvin Rosenhack.

Business Activities: Operates a chain of food stores in central and northern New Jersey, all operating under the name of Foodtown.

Affiliates:

Twin County Grocers, Inc.
Foodtown
145 Talmadge Road
Edison, New Jersey 08817

Transfer Agent(s):

National State Bank
Elizabeth, New Jesey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MYFR (NASDAQ)

Number of Stores: (at fiscal year end)

1979	36	1976	23
1978	39	1975	25
1977	29		

Sales and Earnings

	Net Sales	Net Income †
1979	$266,068,973	$ (285,884)
1978	180,953,299	(33,773)
1977*	116,571,055	388,291
1976	111,991,470	1,110,701
1975	102,883,979	1,095,037

	No. of Com. Shares	Earn. per Share ‡†
1979	1,211,300	$ —
1978	1,211,300	—
1977*	1,226,750	0.32
1976	1,254,400	0.89
1975	1,259,525	0.87

(Loss)
* 53 weeks.
† Restated to reflect capitalization of leases.
‡ Based on the average number of shares outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 2,888,411	$2.38
1978	3,174,295	2.62
1977	3,208,068	2.62

‡ Restated to reflect capitalization of leases.

Income Account

Year ended	9/1/79	9/2/78‡
Net sales	$266,068,973	$180,953,299
Cost of sales	212,745,504	143,417,575
Expenses & deprec. & amort.	51,470,199	36,354,067
Other income	(457,382)	(353,897)
Interest expense	3,258,065	2,034,507
Loss before taxes	$ (947,413)	$ (498,953)
Tax credit	(661,529)	(465,180)
Net Loss	$ (285,884)	$ (33,773)

‡ Restated to reflect capitalization of leases.

Assets

As of	9/1/79	9/2/78‡
Cash	$ 2,656,260	$ 2,972,049
Short-term invest.	66,805	2,507,291
Accts. & notes	2,498,801	1,767,947
Other receiv.	74,435	239,564
* Inventories	8,826,253	7,913,276
Prepaid expenses	322,856	545,470
Refundable inc. taxes	690,221	634,921
Current Assets	$ 15,135,631	$ 16,580,518
# Fixed assets	26,823,739	27,683,011
Other assets	5,555,307	4,967,762
Total Assets	$ 47,514,677	$ 49,231,291

Liabilities

	9/1/79	9/2/78‡
Notes payable	$ 757,726	$ 2,615,38[illegible]
Long-term debt, curr.	1,908,202	1,792,[illegible]
Cap. lease oblig., curr.	911,334	820,641
Accts. payable	13,370,470	12,294,486
Accruals	2,018,176	1,420,637
Curr. Liabilities	$ 18,965,908	$ 18,943,369
Long-term debt	7,864,274	8,494,420
Cap. lease oblig.	17,374,011	18,258,150
Other non-curr. liabilities	422,073	361,057
+ Common stock	1,463,500	1,463,500
Add. paid-in capital	467,983	467,983
Retained earnings	1,538,902	1,824,786
Treasury stock	(581,974)	(581,974)
Total Liabilities & Shareholdrs' Equity	$ 47,514,677	$ 49,231,291

‡ Restated to reflect capitalization of leases.
* At lower of cost (LIFO; FIFO in 1978) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

J. W. Mays, Inc.

510 Fulton Street
Brooklyn, New York 11201
(212) 624-7400

Officers: Max L. Shulman, chairman of the board & chief executive officer; Lloyd J. Shulman, president & chief operating officer; Alex Slobodin, executive vice president

J. W. Mays, Inc.

and treasurer; Simon H. Katz, Richard D'Amura, vice presidents; Melvin M. Kazdin, secretary; Paul Greenblatt, controller and assistant secretary.

Directors: Richard D'Amura, Lloyd J. Shulman, Frank J. Angell*, John B. King*, Andrew S. Roscoe, Michael Schimmel, Max L. Shulman*, Sylvia W. Shulman, Charles H. Silver*, Alex Slobodin.

* Member of Executive Committee.

Business Activities: Operates department stores which sell ready-to-wear clothing for the entire family, hard goods, domestics, jewelry and furniture.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: MJW

Number of Stores: (at fiscal year end)

1979	8	1976	8
1978	8	1975	8
1977	8		

Sales and Earnings

	Net Sales	Net Income †
1979	$171,509,472	$ 2,144,000
1978	171,284,356	1,643,000
1977	162,458,103	(28,000)
1976	165,189,194	87,000
1975	162,617,248	(356,000)

	No. of Com. Shares	Earn. per Share ‡†
1979	2,178,297	$0.98
1978	2,178,297	0.75
1977	2,178,297	—
1976	2,178,297	0.04
1975	2,178,297	—

(Loss)
† Restated to reflect capitalization of leases.
‡ Based on weighted average number of shares of common stock and common stock equivalents.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	—
1975	0.39	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 28,721,293	$13.19
1978	26,576,892	12.20
1977	24,934,000	11.45
1976	24,962,000	11.46
1975	24,875,000	11.42

‡ Restated to reflect capitalization of leases.

Income Account

Year ended July 31	1979	1978 ‡
Net sales	$171,509,472	$171,284,356
Other income	2,214,542	1,835,546
Total income	$173,724,014	$173,119,902
Cost of sales	127,275,513	128,452,744
Expenses	37,515,001	36,921,138
Depreciation & amortization	2,517,891	2,234,976
Oper. profit	$ 6,415,609	$ 5,511,044
Interest expense	2,153,208	1,960,043
Income before taxes	$ 4,262,401	$ 3,551,001
Income taxes	2,118,000	1,908,000
Net Income	$ 2,144,401	$ 1,643,001

‡ Restated to reflect capitalization of leases.

Assets

As of July 31	1979	1978 ‡
Cash	$ 4,053,984	$ 2,116,542
Accts. receiv., net	503,274	229,633
Prepaid taxes	88,477	197,179
*Inventories	23,102,122	22,964,652
Prepaid expenses	803,251	450,958
Current Assets	$ 28,551,108	$ 25,958,964
#Fixed assets	36,035,556	36,669,126
Defer. charges	842,901	842,236
Deferred inc. taxes	663,930	727,886
Total Assets	$ 66,093,495	$ 64,198,212

Liabilities

Notes payable	$ 1,500,000	$ 1,500,000
Long-term debt, curr.	1,566,224	648,016
Cap. lease oblig. curr.	867,672	826,824
Accts. payable	8,854,672	7,737,360
Customers' deposits	476,660	467,380
Accrued payroll	2,332,578	2,209,417
Inc. taxes payable	583,517	1,504,241
Misc. taxes	1,363,699	1,568,455
Curr. Liabilities	$ 17,545,022	$ 16,461,693
Long-term debt	10,696,667	11,694,391
Cap. lease oblig.	9,130,513	9,465,236
+Common stock	2,178,297	2,178,297
Add. paid-in capital	3,346,245	3,346,245
Retained earnings	23,196,751	21,052,350
Total Liabilities & Shareholders' Equity	$ 66,093,495	$ 64,198,212

‡ Restated to reflect capitalization of leases.
* At lower of cost (57% net invoice cost, remainder at retail inventory method) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.49	2.07
%Net Income to Sales	1.25	0.96
%Net Income to Equity	7.47	6.18
Sales to Inventories	7.42	7.46
Working Capital	$ 11,006,086	$ 9,497,271
Current Ratio	1.63	1.58
Shareholders' Equity	$ 28,721,293	$ 26,576,892

MCA INC.

100 Universal City Plaza
Universal City, California 91608
(213) 985-4321

445 Park Avenue
New York, New York 10022
(212) 759-7500

Officers: Lew R. Wasserman, chairman of the board & chief exec. officer; Sidney Jay Sheinberg, president & chief operating officer; Bob R. Baker, J. Eugene Brog, Salvatore T. Chiantia, Albert A. Dorskind, James N. Fiedler, Eugene L. Froelich, Louis N. Friedland, Joseph Hiatt, Stanley Newman, Gareth Hughes, Thomas Wertheimer, Jay S. Stein, Ned Tanen, Donald Sipes, v.p.'s; George Smith, v.p. & general tax counsel; Harold Haas, v.p., treasurer & chief financial officer; Richard E. Baker, controller; Michael Samuel, secretary; Joni Robbins, asst. treasurer.

Directors: Lew R. Wasserman*, chairman; Jules Stein, Sidney Jay Sheinberg*, Louis B. Lundborg, Thomas V. Jones, Charles B. Thornton, Mary Gardiner Jones, Thomas Wertheimer*, Ned Tanen, Felix Rohatyn.

* Member of Executive Committee.

Business Activities: Engaged in production and distribution of theatrical and television motion pictures, television series and television feature length films, nontheatrical film activities, merchandising and publishing film properties, manufacture and distribution of phonograph records and tapes, music publishing, retail and mail order gift merchandising, recreation services, hardcover and paperback book publishing, magazine publishing, savings and loan operations, video disc systems and development of portions of the Company's Universal City real estate. Spencer Gifts, a retail and mail order subsidiary headquartered in Atlantic City, New Jersey, handles merchandise primarily in the medium and low price ranges and includes notions, novelties, housewares, stationery, home decorations, costume jewelry, gardening equipment, plus a variety of other products for home; office, personal use and gift giving; the major concentration of Spencer gifts' retail stores is in the northeast, east and midwestern United States.

Divisions & Subsidiaries:

Universal City Studios, Inc.
Universal Television
Universal Pictures
MCA International B.V.
Universal Education and Visual Arts
United World Films
MCA Corporate Films
MCA Records
Miller International Schallplatten G.m.b.H.
MCA Music
Spencer Gifts
Neho Versand G.m.b.H.
MCA Financial Inc.
Colrad Development Corporation
Columbia Savings and Loan Association
Columbia Corporation
Crown Properties, Inc.
Mid Continent Computer Services, Inc.
Universal Studio Tour and Amphitheatre
Yosemite Park and Curry Co.
Landmark Services
Almours Securities, Inc.
G. P. Putnam's Sons
Jove Publications, Inc.
Coward, McCann & Geoghegan, Inc.
DiscoVision Associates (50% owned)
Cinema International Corporation N.V. (49% owned)
MCA Disco Vision, Inc.
MCA New Ventures, Inc.
New Times Communication Corporation
MCA Distributors Corporation

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10081

The First National Bank of Chicago
1 First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Pacific

Ticker Symbol: MCA

Number of Stores: (at fiscal year end)

1979	377	1976	265
1978	343	1975	231
1977	296		

Sales and Earnings

	Revenues	Net Income†
1979	$1,266,140,000	$178,688,000
1978	1,120,644,000	128,379,000
1977	877,635,000	95,114,000
1976	802,918,000	90,234,000
1975	811,484,000	95,513,000

	No. of Com. Shares‡	Earn. per Share‡†
1979	23,349,791	$7.65
1978	23,265,343	5.52
1977	23,197,900	4.10
1976	23,141,454	3.90
1975	23,000,833	4.15

† Including extraordinary gain of $39,700,000 ($1.70 per share) in 1979.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Revenues by Line of Business
(000's)

	1979	1978
Filmed Entertainment:		
Theatrical	$ 305,093	$ 318,703
Television	410,909	348,175
Studio tour	45,425	38,671
Other	20,098	18,879
Records & music publishing	163,954	131,476
Retail & mail order	193,931	167,540
Other	126,730	97,200
Total	$ 1,266,140	$ 1,120,644

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$1.35	–	–
1978	1.02	–	5-for-4
1977	0.82	3%	–
1976	0.75	3%	–
1975	0.43	–	2-for-1 #

Declared May 1976.
+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$800,419,000	$34.12
1978	642,637,000	27.57
1977	529,898,000	22.85
1976	451,804,000	19.50
1975	375,433,000	16.29

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Revenues	$ 1,266,140	$ 1,120,644
Cost of sales & expenses	1,063,846	912,697
Corp. general admin.	17,108	18,051
Interest expense	1,729	891
Interest income	(15,931)	(13,374)
Income before taxes	$ 199,388	$ 202,379
Income taxes	60,400	74,000
Net Income	$ 138,988	$ 128,379
Extraord. gain	39,700	–
Net Income & extraord. gain	$ 178,688	$ 128,379

* Included in Costs and Expenses, Depreciation and Amortization: $77,678,000 in 1979 and $85,787,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 23,427	$ 24,575
Cert. of deposit	12,476	79,777
Receiv., net	272,045	176,134
Investments	101,374	144,060
Film cost	156,353	138,365
*Inventories	66,532	44,879
Prepaid expenses	26,764	16,004
Current Assets	$ 658,971	$ 623,794
#Fixed assets	139,210	119,561
Other assets	511,692	336,824
Total Assets	$ 1,309,873	$ 1,080,179

Liabilities
(000's)

Accts. payable & accruals	$ 119,610	$ 99,653
Accrued payroll	149,072	135,872
Dividends payable	8,773	6,993
Income taxes	19,364	24,081
Deferred film revenues	39,037	33,210
Curr. Liabilities	$ 335,856	$ 299,809
Long-term debt	98,598	67,733
Deferred inc. taxes	75,000	70,000
+Common stock	108,353	98,508
Retained earnings	693,817	546,662
Treasury stock	(1,751)	(2,533)
Total Liabilites & Shareholders' Equity	$ 1,309,873	$ 1,080,179

* At lower of cost (FIFO) or estimated realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	15.75	18.06
%Net Income to Revenues	10.98	11.46
%Net Income to Equity	17.36	19.98
Working Capital	$323,115,000	$323,985,000
Current Ratio	1.96	2.08
Shareholders' Equity	$800,419,000	$642,637,000

McDonough Co.

P.O. Box 1774
Parkersburg, West Virginia 26101
(304) 422-8531

Officers: Philip D. McManus, chairman of the board & chief executive officer; Harold P. McGowan, vice chairman of the board & vice president; Douglas E. Cochran, president; James T. Wakley, v.p.-corp. development; Charles E. Huggins, v.p.-finance; E. Boyce Good, v.p.; D Richard Langfitt, treasurer; F.G. Figge, secretary-controller.

Directors: Carl Broughton*, James G. Campbell, E. Boyce Good, Douglas E. Cochran*, Bernard P. McDonough*, Harold P. McGowan, George E. Kettlewell, Robert Shattuck*, James T. Wakley, Philip D. McManus*, Mark C. Kury, Richard N. Lea.

* Member of Executive Committee.

Business Activities: Engaged in the manufacture and retailing of shoes, and the manufacture of lawn, garden, and striking tools, cement, concrete and construction aggregates.

Divisions & Subsidiaries:

Endicott Johnson Corporation
1100 East Main Street
Endicott, New York 13760
Operates a chain of retail shoe stores under the names Endicott Johnson, Nobil, Father & Son, and Nettleton; also manufactures footwear.

Ames Division
Camden Avenue and Broadway
Parkersburg, West Virginia 26101
Manufactures and distributes lawn, garden and striking tools.

Gulf Coast Portland Cement Division
6203 Industrial Way
Houston, Texas 77001
Portland cement.

Houston Shell and Concrete Division
5111 Woodway
Houston, Texas 77027
Ready-mixed concrete and allied products.

Ohio River Division
28 Twelfth Street
Parkersburg, West Virginia 26101
Sand & Gravel aggregates.

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: MDO

Number of Stores*: (at fiscal year end)

1980	706	1977	666
1979	679	1976	653
1978	665		

* Including leased departments.

Sales and Earnings

	Net Sales	Net Income
1980	$450,611,000	$ 21,550,000
1979	417,841,130	21,045,161
1978	344,619,526	16,631,513
1977	305,948,110	16,473,721
1976	284,584,494	13,370,772

	No. of Com. Shares	Earn. per Share ‡
1980	3,984,968	$5.39
1979	3,964,244	5.27
1978	3,949,466	4.18
1977	3,908,544	4.15
1976	3,890,778	3.40

‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.325	–	–
1979	1.20	–	–
1978	1.00	–	–
1977	0.85	–	–
1976	0.65	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$144,520,000	$36.27
1979	128,098,635	32.31
1978	111,708,359	28.28
1977	98,716,679‡	25.26
1976	85,419,382‡	21.95

‡ After allowing for preferred stock at redemption value of $27.50 per share.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$450,611,000	$417,841,130
Cost of sales	307,613,000	284,851,498
Expenses	104,209,000	95,553,434
Interest & debt exp.	2,541,000	1,359,037
Income before taxes	$ 36,248,000	$ 36,077,161
Income taxes	14,698,000	15,032,000
Net Income	$ 21,550,000	$ 21,045,161

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $8,312,000 in 1980 and $7,065,786 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 3,746,000	$ 11,138,747
Marketable securities	1,024,000	1,192,500
Accts. receiv., net	57,908,000	45,555,751
*Inventories	83,690,000	82,526,677
Other assets	6,329,000	5,137,189
Current Assets	$152,697,000	$145,550,864
#Fixed assets	54,850,000	46,578,452
Total Assets	$207,547,000	$192,129,316

Liabilities

Notes payable	$ 1,500,000	$ –
Long-term debt, curr.	2,208,000	2,096,064
Acct. payable & accruals	35,576,000	35,632,682
Income taxes	5,152,000	6,211,233
Curr. Liabilities	$ 44,436,000	$ 43,939,979
Long-term debt	14,003,000	16,134,910
Deferred inc. taxes	4,588,000	3,955,792
+Common stock	4,074,000	4,049,644
Add. paid-in capital	13,951,000	13,756,649
Retained earnings	127,337,000	111,036,743
Treasury stock	(842,000)	(744,401)
Total Liabilities & Shareholders' Equity	$200,547,000	$192,129,316

* At lower of cost (LIFO) or market.
# Less accumulated depreciation, depletion and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.04	8.63
%Net Income to Sales	4.78	5.04
%Net Income to Equiy	14.91	16.43
Sales to Inventories	5.38	5.06
Working Capital	$108,261,000	$101,610,885
Current Ratio	3.44	3.31
Shareholders' Equity	$144,520,000	$128,098,635

Medco Jewelry Corporation

10950 El Monte
Overland Park, Kansas 66207
(913) 381-6200

Mailing address:

P.O. Box 7130
Overland Park, Kansas 66207

Officers: Richard A. Goldman, chairman of the board & president; Joseph M. Paag, executive vice president & chmn. of exec. comm.; Roland Benavides, Arthur A. Binder, Fred F. Sarciaux, vice presidents; S. Robert Eisen, v.p.-finance & treasurer; Thomas H. Rolli, v.p. & controller; C. Pamela W. Sloan, secretary & treasurer.

Directors: Fred Goldman, Jr., Richard A. Goldman, Joseph M. Paag, Victor C. Seiter, S. Harvey Laner, S. Robert Eisen, Leonard Rose.

Business Activities: Operates 8 Keepsake Diamond Galleries which are fine jewelry stores in regional shopping malls.

Transfer Agent(s):

Commerce Trust Company
Kansas City, Missouri

Chase Manhattan Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: MEO

Number of Retail Units: (at fiscal year end)

1980	8	1978	141
1979	82	1977	161

Sales and Earnings

	Net Sales	Net Income‡
1980	$ 16,152,420	$ (1,369,712)
1979*	43,344,310	(3,760,819)
1978	48,090,073	201,025
1977	50,535,631	(4,029,405)
1976	49,588,260	239,634

	No. of Com. Shares	Earn. per Share‡†
1980	952,705	$ –
1979	952,705	–
1978	952,705	0.21
1977	952,705	–
1976	952,705	0.25

(Loss)
* 53 weeks.
‡ Including extraordinary gain of $86,000 ($0.09 per share) in 1978.
† Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ (452,879)	$ –
1979	694,833	0.73
1978	4,455,652	4.68
1977	4,254,627	4.47
1976	8,284,032	8.70

(Deficiency)

Income Account*

Year ended	3/29/80	3/31/79 (53 weeks)
Net sales	$ 16,152,420	$ 43,344,310
Cost of sales	12,405,463	31,347,979
Expenses	5,220,900	12,191,142
Interest & other debt expenses	959,558	1,366,008
Other charges	3,160,000	2,200,000
Net Loss	$ (5,593,501)	$ (3,760,819)
Extraord. gain	4,223,789	–
Net Loss & extraord. gain	$ (1,369,712)	$ (3,760,819)

* Included in Costs and Expenses, Depreciation: $170,793 in 1980 and $255,090 in 1979.

Assets

As of	3/29/80	3/31/79
Cash	$ 367,963	$ 604,059
Receiv., net	305,489	2,033,339
*Inventories	1,264,310	12,670,339
Prepaid expenses	52,403	183,013
Assets of closed units	1,025,316	–
Current Assets	$ 3,015,481	$ 15,490,750
#Fixed assets	459,931	1,331,015
Other assets	159,298	301,641
Total Assets	$ 3,634,710	$ 17,123,406

Liabilities

Notes payable	$ –	$ 6,500,000
Long-term debt, curr.	–	139,500
Accts. payable	2,825,999	5,754,829
Income taxes	85,000	63,618
Other liabilities	136,179	920,126
Est. loss on disposal of units	840,411	1,170,000
Curr. Liabilities	$ 3,887,589	$ 14,548,073
Long-term debt	–	1,880,500
Loss on disposal of units	200,000	–
+Common stock	106,256	106,256
Add. paid-in capital	4,978,094	4,756,094
Deficit	(4,322,649)	(2,952,937)
Treasury stock	(1,214,580)	(1,214,580)
Total Liabilities & Shareholders' Equity	$ 3,634,710	$ 17,123,406

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	12.78	3.42
Working Capital	$ –	$942,677,000
Current Ratio	–	1.06
Shareholders' Equity (Deficiency)	$ (452,879)	$694,833,000

Melville Corporation

3000 Westchester Avenue
Harrison, New York 10528
(914) 253-8000

Officers: Francis C. Rooney, Jr., chairman of the board, president and chief executive officer; Edward S. Fitzgibbons, senior vice president; Kenneth K. Berland, senior vice president-finance and treasurer; Frank H. Brenton, Harry Greenberg, Robert C. Kuhn, Stanley P. Goldstein, Lawrence E. McGourty, John F. Reifler, Jr., vice presidents; William C. Kingsford, controller; Arthur V. Richards, secretary & gen. attorney; Mark S. Ticotin, Raymond R. Moore, asst. secretaries; John J. Rademaker, Stewart Weinfuss, asst. treasurers.

Directors: Francis C. Rooney, Jr.*, chairman; Leighton H. Coleman*, Robert C. Erb, Edward S. Fitzgibbons*, Francis H. Gleason, Robert McDonald, Frank Melville*, Murray M. Rosenburg*, Kenneth K. Berland*, Lawrence E. McGourty, Robert C. Kuhn, Hyman L. Battle, Jr., Donald F. McCullough, James W. McKee, Jr.

*Member of Executive Committee.

Business Activities: Operates shoe stores under the names Thom McAn (men's shoes), Vanguard offering better grade branded footwear with special appeal to the 18 - 30 year-olds market and Open Country stores providing high grade branded footwear appealing to the outdoor action oriented consumer of all ages; leased self-service shoe departments (Meldisco) with units located primarily in K-Mart stores; Marshalls, a retail chain that sells brand-name apparel for men, women and children; Foxmoor Casuals, specialty merchandisers for the 14-to-22 year old, middle income women's apparel market and Chess King, a men's apparel specialty merchandising chain concentrating on the 14-to-22 year old market. Operates health and beauty aid specialty stores in New England, Middle Atalantic states and Michigan under the name Consumer Value Stores (CVS). Also manufactures footwear and men's and boy's apparel through the operations of several subsidiaries.

Divisions & Subsidiaries:

Thom McAn Shoe Company
67 Millbrook Street
Worcester, Massachusetts 01606

J. F. McElwain Company
12 Murphy Drive
Nashua, New Hampshire 03060

Blue Ridge Shoe Company
Spring Street and River Road
Wilkesboro, North Carolina 28697

Melville Realty Company, Inc.
3000 Westchester Avenue
Harrison, New York 10528

Meldisco
Continental Plaza
401 Hackensack Avenue
Hackensack, New Jersey 07601

Foxmoor
393 Manley Street
West Bridgewater, Massachusetts 02379

Consumer Value Stores
400 Founders Drive
Woonsocket, Rhode Island 02895

Marshalls, Inc.
83 Commerce Way
Woburn, Massachusetts 01888

Miller Shoes
385 Central Avenue
Dover, New Hampshire 03820

Chess King
44 Hammond Street
Worcester, Massachusetts 01610

Vanguard Ltd.
67 Millbrook Street
Worcester, Massachusetts 01606

Metro Pants
390 Fifth Avenue
New York, New York 10018

Melville (Europe) Purchasing Ltd.
2 Via Guido Monaco
Florence 50144, Italy

Transfer Agent(s):

Manufacturers Hanover Trust Company
Stock Transfer Department
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Boston

Ticker Symbol: MES

Number of Stores: (at fiscal year end)

1979	4,169	1976	3,281
1978	3,812	1975	2,906
1977	3,534		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1979	$ 2,022,770	$ 101,174
1978	1,747,372	87,987
1977	1,473,587	73,148
1976	1,228,176	60,711
1975	908,321	44,173

	No. of Com. Shares	Earn. per Share ‡
1979	$ 25,023,459	$4.04
1978	24,955,632	3.52
1977	24,824,247	2.94
1976	24,702,161	2.45
1975	24,580,911	1.79

‡ Based on the average number of shares outstanding.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Footwear	$1,045,772	51.7%	$ 927,672	53.1%
Health & beauty aids	336,153	16.6	274,900	15.7
Apparel	640,845	31.7	544,800	31.2
Total	$2,022,770	100%	$1,747,372	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.40	—	—
1978	1.16	—	—
1977	0.96	—	—
1976	0.68	—	—
1975	0.48	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$421,843,390	$16.86
1978	354,327,903	14.20
1977	292,808,615	11.80

‡ After allowing for preferred stock at par value.

Income Account

Year ended Dec. 31	1979	1978
Net sales	$2,022,769,919	$1,747,371,728
Cost of sales	1,203,483,585	1,028,368,510
Expenses	592,142,211	507,705,600
Depreciation & amortization	23,295,529	22,089,267
Interest expense	1,626,451	1,619,338
Other expense	767,526	757,365
Income before taxes	$ 201,454,617	$ 186,831,648
Income taxes	75,695,000	77,255,000
Minority interest	24,585,595	21,589,176
Net Income	$ 101,174,022	$ 87,987,472

Assets

As of Dec. 31	1979	1978
Cash	$150,180,036	$129,039,743
Accts. receiv., net	28,937,226	25,336,527
*Inventories	356,833,870	309,035,437
Prepaid expenses	4,606,278	4,552,770
Current Assets	$540,557,410	$467,964,477
Prop. leased under cap. leases	33,094,050	29,696,864
#Fixed assets	169,213,222	139,386,472
Defer. charges & other assets	2,142,030	2,352,952
Intangibles	28,350,143	29,117,669
Total Assets	$773,356,855	$668,518,434

Liabilities

Long-term debt, curr.	$ 2,734,437	$ 6,023,150
Cap. lease oblig. curr.	1,159,936	902,843
Accts. payable & accruals	175,176,546	160,111,323
Income taxes	24,935,061	18,237,778
Curr. Liabilities	$204,005,980	$185,275,094
Long-term debt.	48,705,385	40,653,137
Cap. lease oblig.	37,268,904	33,177,215
Lease oblig.	2,298,018	3,677,571
Minority interest	49,860,571	41,640,623
Deferred inc. taxes	4,322,807	4,116,891
+ Preferred stock	5,051,800	5,650,000
+ + Common stock	25,023,459	24,955,632
Add. paid-in capital	13,015,355	11,529,820
Retained earnings	383,804,576	317,842,451
Total Liabilities & Shareholders' Equity	$773,356,855	$668,518,434

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $100 par value; Series B.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.96	10.69
%Net Income to Sales	5.00	5.04
%Net Income to Equity	23.98	24.83
Sales to Inventories	5.67	5.65
Working Capital	$336,551,430	$282,689,383
Current Ratio	2.65	2.53
Shareholders' Equity	$421,843,390	$354,327,903

Mercantile Stores Company, Inc.

100 West 10th Street
Wilmington, Delaware 19899
(302) 655-4011

Officers: Leon F. Winbigler, chairman of the board; James C. Lovell, president; Harold W. Jockers, chairman of the executive committee; F. G. Kingsley, chairman of the finance committee; William A. Heineman, vice president & treasurer; Charles E. Stallings, Edward J. Sharkey, vice presidents; William A. Carr, controller; Dennis F. Murphy, secretary.

Directors: William W. Geddes, Harold W. Jockers*, F. G. Kingsley*, James C. Lovell*, Gerrish H. Milliken, Minot K. Milliken*, Roger Milliken*, George S. Moore, Edward J. Sharkey, Charles E. Stallings, Leon F. Winbigler*.

* Member of the Executive Committee.

Business Activities: Operates a chain of department stores.

Division(s):

Bacon's
Louisville, Kentucky
Branches: Bashford Manor, St. Matthews, Shively, and Owensboro, Kentucky; Decatur & Jeffersonville, Indiana.

Castner-Knott Co.
Nashville, Tennessee
Branches: Green Hills, Tullahoma, Franklin, Downtown Nashville, Donelson, Hickory Hollow, Harding Mall and Rivergate, Tennessee; Bowling Green, Kentucky; Decatur & Florence, Alabama.

de Lendrecies
Fargo, North Dakota

Gayfer's
Mobile, Alabama
Branches: Springdale, & Downtown Mobile, Alabama; Clearwater, Pensacola, Panama City, Mary Esther and Tallahassee, Florida; Edgewater and Jackson, Mississippi.

Glass Block
Duluth, Minnesota

Hennessey's
Billings, Montana
Branches: Helena, Billings, and Missoula, Montana

The Jones Store Co.
Kansas City, Missouri
Branches: Blue Ridge, North Kansas City, Missouri, Prairie Village, Metcalf & Oak Park, Kansas

Joslin's
Denver, Colorado
Branches: Pueblo, Englewood, Greeley, Aurora, Villa Italia, Westminster, Colorado

Lion
Toledo, Ohio
Branches: Nooth Towne, Westgate and Southwyck, Ohio

McAlpin's
Cincinnati, Ohio
Branches: Kenwood, Western Hills, Cherry Grove, Northgate, Middletown, Ohio; Crestview Hills, Kentucky.

Gayfer's/Montgomery Fair
Montgomery, Alabama
Branches: Eastdale, Montgomery, Auburn and Tuscaloosa, Alabama; Columbus and Albany, Georgia.

The Peoples Store
Tacoma, Washington
Branches: Yakima, Lakewood, Port Angeles, Federal Way, Wenatchee and Olympia, Washington.

The Right House
Hamilton, Ontario, Canada
Branches: Brantford, Cambridge, St. Catharines and Hamilton, Ontario

Mercantile Stores Company, Inc.

The Root's Store Co.
Terre Haute, Indiana
Branches: Honey Creek and Sullivan, Indiana; Robinson, Illinois.

J. B. White
Augusta, Georgia
Branches: National Hills, Georgia; Aiken, South Carolina.

Columbia, South Carolina
Branches: Richland Mall and Dutch Square, South Carolina.

Subsidiary:

Mercantile Stores Company, Inc. (N.Y.)
128 W. 31st Street
New York, New York 10001

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): New York

Ticker Symbol: MST

Number of Stores: (at fiscal year end)

1980	84	1977	78
1979	84	1976	76
1978	80		

Sales and Earnings

	Net Sales	Net Income
1980	$1,067,937,000	$ 42,749,000
1979	922,141,000	40,118,000
1978	789,217,000	31,142,000
1977	700,990,000	29,114,000
1976	630,604,000	31,464,000

	No. of Com. Shares	Earn. per Share
1980	5,895,636	$7.25
1979	5,895,636	6.80
1978	5,895,636	5.28
1977	5,895,636	4.94
1976	5,895,636	5.34

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.25	–	–
1979	1.10	–	–
1978	0.80	–	–
1977	0.80	–	–
1976	0.80	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$318,367,000	$54.00
1979	282,987,000	48.00
1978	249,355,000	42.29
1977	222,929,000	37.81
1976	198,532,000	33.67

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 1,067,937	$ 922,141
Cost of sales	731,925	631,614
Expenses	247,633	211,724
Interest expense	10,934	7,185
Reduction in res. for doubt. accts.	2,704	3,600
Income before taxes	$ 80,149	$ 75,218
Income taxes	37,400	35,100
Net Income	$ 42,749	$ 40,118

* Included in Costs and Expenses, Depreciation: $20,550,000 in 1980 and $17,748,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 42,970	$ 69,882
Receiv., net	8,653	17,619
Due from Mersco Finance Corp.	124,657	83,155
*Inventories	161,113	148,118
Prepaid expenses	3,248	2,683
Current Assets	$ 340,641	$ 321,457
Investments	13,756	2,069
Equity & advance to Mersco Finance Corp.	6,399	5,998
#Fixed Assets	225,945	207,637
Total Assets	$ 586,741	$ 537,161

Liabilities
(000's)

	1980	1979
Long-term debt, curr.	$ 1,688	$ 1,621
Accts. payable	56,239	52,791
Accruals	32,003	26,724
Income taxes	31,257	28,317
Curr. Liabilities	$ 121,187	$ 109,453
Long-term debt	131,117	130,903
Deferred inc. taxes	16,070	13,818
+Common stock	5,404	5,404
Add. paid-in capital	6,145	6,145
Retained earnings	306,818	271,438
Total Liabilities & Shareholders' Equity	$ 586,741	$ 537,161

* At LIFO which is lower than market.
# Less accumulated depreciation.
+ $0.91-⅔ par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.51	8.16
%Net Income to Sales	4.00	4.35
%Net Income to Equity	13.43	14.18
Sales to Inventories	6.63	6.23
Working Capital	$219,454,000	$212,004,000
Current Ratio	2.81	2.94
Shareholders' Equity	$318,367,000	$282,987,000

MFY Industries, Inc.

303 South Greenwich Road
Wichita, Kansas 67207
(316) 685-8211

Officers: Daniel J. Taylor, president & chairman of the board; Michael W. Dart, v.p. & treasurer; Karon Perrill, secretary.

Directors: E. Lowell Yost, Eugene Friedman, Robert W. Moore, Richard Render, Daniel J. Taylor, Daniel M. Carney.

Business Activities: Operates department stores under the name of David's in Kansas and Oertle's in Oklahoma, and a pizza restaurant chain under the name of Pizza Hut in Florida, Alabama and Pennsylvania, and wholesale records and tapes with one outlet.

Divisions & Subsidiaries:

David's Department Stores
Wichita, Kansas 67207

Central Development, Inc. (CDI)
Wichita, Kansas 67207

CF & Y Distributing, Inc.
Friends II Music, Inc.
Pizza Hut of Titusville, Inc.
PH of Mobile, Inc.
Erie Pizza I, Inc.

Transfer Agent(s):

Fourth National Bank & Trust Company
Wichita, Kansas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MFYI (NASDAQ)

Number of Stores: (at fiscal year end)

1979	7	1976	6
1978	7	1975	6
1977	6		

Sales and Earnings

	Net Sales †	Net Income
1/31/80	$ 83,613,000	$ 1,502,000
1/31/79*	35,079,000	753,000
8/31/78	73,263,000	1,411,000
8/31/77	64,345,000	753,000
8/31/76	55,868,000	1,556,000

	No. of Com. Shares	Earn. per Share #
1/31/80	1,757,027	$0.92
1/31/79*	1,757,027	0.43
8/31/78	1,757,027	0.51
8/31/77	1,675,769	0.44
8/31/76	1,609,098	0.92

* 5 months.
† Restated to reflect capitalization of leases.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business
(000's)

	1/31/80	1/31/79 (5 months)
Retail merchandising	$ 59,915	$ 24,763
Pizza restaurants	20,835	7,749
Wholesale carpets & floor covering	–	1,070
Wholesale records & tapes	4,335	2,168
Other	6	13
Intersegment sales	(1,478)	(684)

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1/31/80	$0.20	–	–
1/31/79	0.10	–	–
8/31/78	0.16	–	–
8/31/77	0.15	–	–
8/31/76	0.11	–	2-for-1*

* Effected in the form of a dividend.

Common Stock Equity

	Total Equity	Equity Per Share
1/31/80	$ 10,293,000	$5.86
1/31/79	9,774,000	5.56
8/31/78	9,533,000	5.43
8/31/77	8,139,000	4.86
8/31/76	7,450,000	4.63

Income Account

Year ended Jan. 31	1980	1979 (5 months)
Net sales	$ 83,149,000	$ 35,006,000
Cost of sales	54,284,000	22,992,000
Expenses	23,596,000	9,532
Depreciation	1,235,000	471,000
Interest expense	1,730,000	696,000
Other income	(464,000)	(73,000)

Income before taxes	$ 2,768,000	$ 1,388,000
Income taxes	1,266,000	614,000
Prov. for loss from discont. oper.	–	21,000
Net Income	$ 1,502,000	$ 753,000

Assets

As of Jan. 31	1980	1979
Cash	$ 1,487,000	$ 1,361,000
Notes receiv.	91,000	264,000
Accts. receiv., net	900,000	814,000
*Inventories	13,914,000	13,028,000
Investments	–	149,000
Prepaid expenses	555,000	305,000
Current Assets	$ 16,947,000	$ 15,921,000
Investments & other assets	1,521,000	1,292,000
#Fixed assets	12,249,000	12,147,000
Total Assets	$ 30,717,000	$ 29,360,000

Liabilities

Notes payable	$ 29,000	$ 668,000
Long-term debt, curr.	1,254,000	323,000
Cash overdrafts	1,097,000	985,000
Accts. payable	5,297,000	3,598,000
Oblig. under cap. lease	340,000	318,000
Income taxes	30,000	288,000
Other	1,678,000	1,297,000
Curr. Liabilities	$ 9,725,000	$ 7,477,000
Long-term debt	4,954,000	5,746,000
Oblig. under cap. lease	5,745,000	6,243,000
Future lease losses	–	120,000
+Common stock	439,000	439,000
Add. paid-in capital	1,106,000	1,106,000
Retained earnings	9,741,000	8,566,000
Treasury stock	(993,000)	(337,000)
Total Liabilities & Shareholders' Equity	$ 30,717,000	$ 29,360,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.33	3.97
%Net Income to Sales	1.81	2.15
%Net Income to Equity	14.59	7.70
Sales to Inventories	5.98	2.69
Working Capital	$ 7,222,000	$ 8,444,000
Current Ratio	1.74	2.13
Shareholders' Equity	$ 10,293,000	$ 9,774,000

J. Michaels, Inc.

182-190 Smith Street
Brooklyn, New York 11201
(212) 852-6100

Officers: Robert Michaels, president; Isidore Einhorn, Jack Runes, exec. vice presidents; Francis P. Mavica, sr. v.p.; Bernard Seidler, Maxwell Karmel, Edward P. Sullivan, Marcel Mommers, vice presidents; James Michaels, asst. v.p. & secretary; Richard Reid, asst. vice president; Sydney Freedman, treasurer; Jerry Urbach, controller.

Directors: Robert Michaels, Isidore Einhorn, Francis P. Mavica, Marcel Mommers, Jack Runes, Edward P. Sullivan, James Michaels.

Business Activities. Owns and operates furniture and appliance stores.

Division(s):

J. Michaels Division
633-645 Fulton Street
Brooklyn, New York 11247
(212) 858-1656
Chain of furniture and appliance stores.

A. Victor & Co. Division
Genesee and Pearl Streets
Buffalo, New York 14202
(716) 856-8000
Chain of furniture and appliance stores.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MICH (NASDAQ)

Number of Stores: (at fiscal year end)

1980	7	1977	8
1979	7	1976	8
1978	7		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 11,865,676	$ 396,955
1979	13,256,417	557,996
1978	12,001,109	614,116
1977	11,510,965	430,036
1976	10,296,394	207,956

	No. of Com. Shares	Earn. per Share +
1980	586,000	$0.68
1979	586,000	0.95
1978	597,500	1.02
1977	605,050	0.70
1976	616,050	0.33

‡ Including credit service charges.
+ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	–	–
1979	0.32	–	–
1978	0.32	–	–
1977	0.32	–	–
1976	0.28	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,458,802	$14.43
1979	8,249,367	14.08
1978	7,943,259	13.29
1977	7,559,334	12.49
1976	7,364,709	11.95

Income Account*

Year ended Mar. 31	1980	1979
Net sales	$ 11,865,676	$ 13,256,417
Cost of sales & expenses	11,129,185	12,019,170
Other expense (income)	(71,150)	34,251
Income before taxes	$ 807,641	$ 1,202,996
Income taxes	410,686	645,000
Net Income	$ 396,955	$ 557,996

* Included in Costs and Expenses, Depreciation and Amortization: $150,676 in 1980 and $144,758 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 206,955	$ 467,337
Marketable securities	1,277,821	–
Receiv., net	7,261,198	7,762,667
*Inventories	2,718,723	2,931,136
Prepaid expenses	148,339	141,233
Current Assets	$ 11,613,036	$ 11,302,373
#Fixed assets	1,882,672	1,889,978
Other assets	38,823	42,441
Total Assets	$ 13,534,531	$ 13,234,792

Liabilities

Long-term debt, curr.	$ 60,000	$ 55,000
Accts. payable & accruals	1,037,780	1,023,769
Income taxes	2,860,674	2,728,356
Curr. Liabilities	$ 3,958,454	$ 3,807,125
Long-term debt	995,000	1,055,000
Deferred inc. taxes	122,275	123,300
+Common stock	736,925	736,925
Add. paid-in capital	1,333,562	1,333,562
Retained earnings	6,539,240	6,329,805
Treasury stock	(150,925)	(150,925)
Total Liabilities & Shareholders' Equity	$ 13,534,531	$ 13,234,792

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.81	9.07
%Net Income to Sales	3.35	4.21
%Net Income to Equity	4.69	6.76
Working Capital	$ 7,654,582	$ 7,495,248
Current Ratio	2.93	2.97
Shareholders' Equity	$ 8,458,802	$ 8,249,367

Michigan General Corporation

Dallas Federal Savings Tower
8333 Douglas
Dallas, Texas 75225
(214) 369-1500

11900 East Eight Mile Road
Detroit, Michigan 48205
(313) 372-5515

Officers: Ira G. Corn, Jr., chairman of the board & chief exec. officer; Joseph P. Driscoll, chairman of the exec. comm.; R. J. Foresman, president & chief operating officer; B. E. Buddendorf, v.p., treasurer & chief financial officer; Stanley G. Springer, v.p. & general counsel; Jules D. Gosseaux, v.p.-operations; Charles E. Weed, v.p.-corporate development; Dorothy H. Moore, v.p., secretary & dir. of stockholder relations; Jean Elliott Carpenter, dir. of public relations; William Thomas Field, director of accounting & asst. treasurer; Floyd C. Wood, staff writer; Robert S. Wolff, asst. v.p. & dir. investor relations; Charles P. Gabriel, manager of insurance & research; Robert S. Pyland, dir. internal audit; Jeanette Collins, Sandra Russell, asst. secretaries.

Directors: Joseph P. Driscoll*, Ira G. Corn, Jr.*, R. J. Foresman*, B. E. Buddendorf, Robert A. Davis, Jr., Lee Hazen, Celia A. Hubbell, Richard E. Joyce, Dorr F. Lovett, Richard C. Memhard*, Charles L. Morse, Charles E. Weed*, Dorothy H. Moore, Joe Freed, Joel L. Gold*, George E. Griffin*, Joon S. Moon.

* Member of Executive Committee.

Business Activities: Operates two Texas chains of furniture and furniture and appliance stores, fifty-six junior department stores in Georgia, South Carolina and Florida. Other activities include the manufacture of residential construction products, paint and paint products, architectural concrete products and materials, highway safety products, abrasives for industrial use, rubber and urethane products for the automotive and other industries, hydraulic and pneumatic packing seals and fabric-supported industrial diaphragms, microcomputers and related products and oilfield chemicals. Also provides specialty contracting and building services; engaged in publishing paperback books.

Michigan General Corporation

Divisions & Subsidiaries:
Retail & Related

Dallas Paint & Supply Inc.
105 Walnut Hill Postal Center
Dallas, Texas 75220
Retail sales of paint, wall coverings and related items.

Savannah Wholesale Company
102 Fahm Street
Savannah, Georgia 31402
Operates 56 junior department stores under the name Allied Department Stores, in Georgia, South Carolina, and Florida.

Freed Furniture Company
4355 LBJ Freeway
Dallas, Texas 75234
Retail sale of contemporary, traditional and early American furniture and accessories in addition to casual and leisure furniture lines at stores in the Dallas area.

LFD, Inc.
502 Salinas
Laredo, Texas 78040
Retail sales of low-to-medium-priced furniture, accessories, bedding, floor coverings, appliances and television sets at seven locations in South Texas.

Transfer Agent(s):

Mercantile National Bank at Dallas
Dallas, Texas 75222

Stock Exchange(s): American

Ticker Symbol: MGL

Number of Stores: (at fiscal year end)

1979	65	1977	10
1978	64		

Sales and Earnings

	Net Sales	Net Income #
1979	$227,527,445	$ 1,932,734
1978	200,591,651	9,851
1977	190,920,327	2,455,165
1976	169,484,618	4,261,066
1975	152,204,259	2,338,052

	No. of Com. Shares +	Earn. per Share + #
1979	3,964,428	$0.41
1978	3,965,481	—
1977	3,986,452	0.52
1976	3,974,297	0.91
1975	4,052,792	0.34

Including extraordinary loss of $248,899 ($0.06 per share) in 1977.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1979	1978
Highway safety products	$ 59,050,374	$ 51,681,176
Consumer products & services	35,936,660	45,019,529
Manufacturing	69,044,167	65,510,812
Furniture	43,826,592	18,891,966
Contracting	19,669,652	19,488,168
Total	$227,527,445	$200,591,651

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	5%	—

Common Stock Equity

	Total Equity‡	Equity Per Share +
1979	$ 21,856,154	$6.37
1978	20,103,132	5.96
1977	22,912,529	5.75
1976	21,252,307	5.35
1975	20,395,610	5.03

‡ After allowing for preferred stock at aggregate redemption values.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$227,527,445	$200,591,651
Cost of sales	173,702,654	156,743,293
Expenses	45,974,744	39,441,251
Interest expense	7,494,262	6,616,296
Other income	(2,524,949)	(1,880,040)
Income (loss) before taxes	$ 2,880,734	$ (329,149)
Income taxes (credit)	948,000	(339,000)
Net Income	$ 1,932,734	$ 9,851

* Included in Costs and Expenses, Depreciation and Amortization: $4,046,914 in 1979 and $3,737,071 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 6,977,442	$ 9,076,725
Receiv., net	35,102,978	34,457,314
Recoverable inc. taxes	—	400,000
Costs & earn. in excess of billings	7,719,707	5,513,557
* Inventories	35,849,897	38,518,431
Prepaid expenses	415,048	581,819
Current Assets	$ 86,065,072	$ 88,547,846
# Fixed assets	17,361,544	18,009,813
Other assets	2,977,413	3,797,275
Intangibles	19,916,245	20,028,865
Total Assets	$126,320,274	$130,383,799

Liabilities

	1979	1978
Notes payable	$ 15,537,400	$ 20,363,386
Long-term debt, curr	900,298	845,572
Accts. payable	17,617,936	17,272,143
Accruals	9,764,478	10,330,052
Income taxes	5,537,312	4,497,419
Billings in exc. of costs & earn.	2,228,410	1,635,313
Curr. Liabilities	$ 51,585,834	$ 54,943,885
Long-term debt	45,677,942	47,974,878
Deferred inc. taxes	1,402,333	1,529,496
+ Preferred stock	2,481,011	2,404,408
+ + Common stock	3,954,279	3,949,955
Add. paid-in capital	12,236,541	12,221,649
Retained earnings	8,982,334	7,359,528
Total Liabilities & Shareholders' Equity	$126,320,274	$130,383,799

* At LIFO or at lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value, cumulative convertible.
+ + $1 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	1.27	—
%Net Income to Sales	0.85	—
%Net Income to Equity	6.99	—
Sales to Inventories	6.35	5.21
Working Capital	$ 34,479,238	$ 33,603,961
Current Ratio	1.67	1.61
Shareholders' Equity	$ 27,654,165	$ 25,935,540

The Miller-Wohl Company, Inc.

915 Secaucus Road
Secaucus, New Jersey 07094
(201) 863-9250

Officers: Heinz Eppler, chairman of the board & chief executive officer; Philip Brous, president & chief operating officer; Earle J. Spokane, v.p.-finance; Jack Trachtman, v.p.-dir. of store operations; Herbert Curtin, v.p.-real estate; William Tobenkin, treasurer; John H. Wolff, secretary.

Directors: Heinz Eppler, Sam Seslowe, Philip Brous, Myron Nickman, Myron S. Viny, Klaus Eppler, William Tobenkin, Earle J. Spokane.

Business Activities: Operates a chain of 246 women's specialty stores located in 32 states, primarily in the Midwestern and Southern regions of the United States. The Stores specialize in the sale of popular to moderately priced fashion apparel, principally in junior sizes, and operate under the names "Three Sisters" and "Jean Nicole".

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: MLW

Number of Stores: (at fiscal year end)

1980	238	1977	142
1979	198	1976	127
1978	164		

Sales and Earnings

	Net Sales	Net Income
1980	$184,104,000	$ 17,337,000
1979	167,742,000	16,843,000
1978	127,535,150	11,817,189
1977	105,285,312	8,876,642
1976*	89,174,465	6,392,655

	No. of Com. Shares†	Earn. per Share #
1980	6,607,065	$2.62
1979	6,604,840	2.55
1978	6,570,350	1.80
1977	6,546,118	1.36
1976*	6,561,108	0.97

* 53 weeks.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.975	—	—
1979	0.675	—	—
1978	0.375	—	2-for-1
1977	0.175	—	2-for-1
1976	0.08125	—	2-for-1

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 72,265,000	$10.94
1979	47,252,000	7.15
1978	34,822,706	5.30
1977	25,402,496	3.88
1976	17,596,725	2.68

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account
(000's)

Year ended		1/26/80		1/27/79
Net sales	$	184,104	$	16 742
Cost of sales		106,913		97,354
Expenses		44,561		37,067
Depreciation & amortization		2,560		1,788
Other income		(2,947)		(2,335)
Income before taxes	$	33,017	$	33,868
Income taxes		15,680		17,025
Net Income	$	17,337	$	16,843

Assets
(000's)

As of		1/26/80		1/27/79
Cash	$	907	$	794
Cert. of deposit		35,871		38,592
Receiv., net		4,507		3,512
*Inventories		13,053		14,420
Prepaid expenses		270		285
Current Assets	$	54,608	$	57,603
Invest. in pref. stock		6,049		—
#Fixed assets		24,819		18,380
Defer. charges & other assets		23		17
Total Assets	$	85,499	$	76,000

Liabilities
(000's)

Accts. payable	$	4,487	$	4,468
Accruals		2,319		2,914
Taxes payable		1,381		763
Income taxes		5,047		20,603
Curr. Liabilities	$	13,234	$	28,748
+Common stock		3,357		3,332
Add. paid-in capital		18,381		4,315
Retained earnings		50,527		39,605
Total Liabilities & Shareholders' Equity	$	85,499	$	76,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.93	20.19
%Net Income to Sales	9.42	10.04
%Net Income to Equity	23.99	35.65
Sales to Inventories	14.10	11.63
Working Capital	$ 41,374,000	$ 28,855,000
Current Ratio	4.13	2.00
Shareholders' Equity	$ 72,265,000	$ 47,252,000

Mini Mart Corporation

2991 S.W. 32 Avenue
Hollywood, Florida 33023
(305) 966-7500

Officers: Jack Fineberg, president.

Directors: Jack Fineberg, Steven Sussman, Daniel Sepler, Ralph L. Bernstein, Donald Gorenberg.

Business Activities: Operates U-Tote'M convenience stores in Florida and Mister Grocer convenience stores in Florida, Pennsylvania and New Jersey. Also operates Mini Mart Development Corporation, land developers and builders of strip shopping centers.

Divisions & Subsidiaries:

Mister Grocer Corp.
U-Tote'M of Orange, Inc.
Mini Mart Development Corporation

all at:
2991 S.W. 32 Avenue
Hollywood, Florida 33023
(305) 966-7500

Transfer Agent(s):

Continental Stock Transfer Corp.
11 Broadway
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	115	1976	122
1978	128	1975	120
1977	128		

Sales and Earnings

	Net Sales	Net Income
1979	$ 28,690,752	$ 470,684
1978	24,203,906	496,323
1977	21,956,283	148,814
1976	21,286,797	244,658
1975	22,068,393	666,412

	No. of Com. Shares	Earn. per Share †
1979	1,881,831	$0.25
1978	1,933,511	0.25
1977	1,960,251	0.08
1976	1,978,794	0.12
1975	1,978,794	0.34

† Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,691,208	$1.96
1979	3,268,625	1.69
1978	2,794,757	1.43

Income Account*

Year ended Aug. 31		1979		1978
Net sales	$	28,690,752	$	24,203,906
Other income		521,501		1,049,764
Total income	$	29,212,253	$	25,253,670
Cost of sales		20,433,063		17,425,780
Expenses		7,882,033		6,978,202
Interest		109,473		176,365
Income before taxes	$	787,684	$	673,323
Income taxes		317,000		177,000
Net Income	$	470,684	$	496,323

* Included in Costs and Expenses, Depreciation and Amortization: $249,370 in 1979 and $271,072 in 1978.

Assets

As of Aug. 31		1979		1978
Cash	$	1,759,676	$	1,250,312
Receiv., net		120,511		208,630
*Inventories		1,716,446		1,656,708
Prepaid expenses		111,955		84,912
Current Assets	$	3,708,588	$	3,200,562
Prop. held for invest.		1,236,307		1,418,187
#Fixed assets		2,265,119		1,626,186
Other assets		584,491		545,912
Total Assets	$	7,794,505	$	6,790,847

Liabilities

Note payable	$	80,414	$	48,000
Accts. payable		1,370,837		1,185,570
Accruals		821,866		650,169
Long-term debt		298,803		317,375
Income taxes payable		247,131		—
Curr. Liabilities	$	2,819,051	$	2,201,114
Long-term debt		853,591		880,766
Deferred inc. taxes		266,509		276,196
Deferred inc. tax benefit		164,146		164,146
+Common stock		98,990		98,990
Add. paid-in capital		313,304		313,304
Retained earnings		3,361,128		2,890,444
Treasury stock		(82,214)		(34,113)
Total Liabilities & Shareholders' Equity	$	7,794,505	$	6,790,847

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.75	2.78
%Net Income to Sales	1.64	2.05
%Net Income to Equity	12.75	15.18
Sales to Inventories	16.72	14.61
Working Capital	$ 889,537	$ 999,448
Current Ratio	1.32	1.45
Shareholders' Equity	$ 3,691,208	$ 3,268,625

Minnesota Fabrics, Inc.

13500 Westinghouse Boulevard
Charlotte, North Carolina 28210
(704) 588-3590

mailing address.

P.O. Box 32606
Charlotte, North Carolina 28232

Officers: C. Wilbur Peters, president; Bessie Peters, v.p.; Duane G. Hansen, v.p. & treasurer; Robert G. Meeker, v.p.-real estate; Ronald F. Pautz, v.p.; Robert C. Bolsinger, v.p. & controller; James H. Keefer, v.p.-marketing; Warren E. Eastlund, secretary.

Directors: C. Wilbur Peters, Bessie Peters, Duane G. Hansen, Warren E. Eastlund, Robert G. Meeker, Ronald F. Pautz, John E. Lamb.

Business Activities: Operates a chain of stores which sell dressmaking, drapery and upholstery fabrics. The stores are located in the Minneapolis-St. Paul area; Milwaukee, Wisconsin; Grand Rapids, Detroit and Ann Arbor, Michigan; Toledo, Cleveland, Youngstown and Columbus, Ohio; Chicago, Illinois; Pittsburgh, Pennsylvania; Washington, D.C.; and Baltimore, Maryland. The company also operates a wholesale drapery business (Fabricmasters, Inc.).

Transfer Agent(s):

National City Bank of Minneapolis
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MINF (NASDAQ)

Number of Stores: (at fiscal year end)

1979	90	1976	71
1978	85	1975	59
1977	80		

Sales and Earnings

	Net Sales	Net Income
1979	$ 81,493,168	$ 1,883,181
1978	74,132,886	1,194,424
1977	76,595,473	1,699,432
1976*	72,113,203	2,197,271
1975	61,468,385	2,462,896

Minnesota fabrics, Inc.

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,182,319	$0.86
1978	2,178,465	0.55
1977	2,178,465	0.78
1976*	2,178,435	1.01
1975	2,174,356	1.13

* 53 weeks.
‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.10	—	—
1978	0.10	—	—
1977	0.10	—	—
1976	0.15	—	—
1975	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 21,532,877	$9.84
1978	19,826,344	9.10

‡ Based on weighted average number of shares outstanding.

Income Account †

Year ended	6/30/79	7/1/78
Net sales	$ 81,493,168	$ 74,132,886
Cost of sales	47,179,498	42,572,623
Expenses	28,900,927	26,736,241
Depreciation	1,071,084	1,014,658
Other expenses (income)	(362,933)	261,446
Interest expense	1,093,411	1,091,486
Income before taxes	$ 3,611,181	$ 2,456,432
Income taxes	1,728,000	1,262,008
Net Income	$ 1,883,181	$ 1,194,424

† Restated to reflect capitalization of leases.

Assets

As of	6/30/79	7/1/78
Cash	$ 683,774	$ 505,762
Cert. of deposit	1,775,000	—
Marketable securities	1,030,352	449,223
Receiv., net	850,341	761,488
Refundable taxes	18,000	18,000
* Inventories	28,884,431	25,243,562
Prepaid expenses	614,517	720,305
Current Assets	$ 33,856,415	$ 27,698,340
# Fixed assets	3,367,352	3,105,088
Cap. lease oblig., curr.	3,796,182	4,164,750
Deferred income taxes	424,006	398,006
Other assets	706,209	2,485,828
Total Assets	$ 42,150,164	$ 37,852,012

Liabilities

Long-term debt, curr.	$ 153,570	$ 955,229
Cap. lease oblig., curr.	285,495	252,975
Accts. payable	9,896,518	7,219,908
Accruals	1,782,030	1,646,605
Income taxes	569,189	210,014
Curr. Liabilities	$ 12,686,802	$ 10,284,731
Long-term debt	3,213,963	2,700,888
Cap. lease oblig.	4,709,292	4,994,788
Deferred compensation	7,230	45,261
+ Common stock	109,476	108,953
Add. paid-in capital	7,189,908	7,148,631
Retained earnings	14,238,668	12,573,935
Treasury stock	(5,175)	(5,175)
Total Liabilities & Shareholders' Equity	$ 42,150,164	$ 37,852,012

† Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.43	3.31
%Net Income to Sales	2.31	1.61
%Net Income to Equity	8.75	6.02
Sales to Inventories	2.82	2.94
Working Capital	$ 21,169,613	$ 17,413,609
Current Ratio	2.67	2.69
Shareholders' Equity	$ 21,532,877	$ 19,826,344

Modern Merchandising, Inc.

5101 Shady Oak Road
Minnetonka, Minnesota 55343
(612) 932-1616

Officers: Harold Roitenberg, chairman of the board & chief exec. officer; Yale T. Dolginow, president & chief operating officer; Leonard LaBelle, sr. vice president; Patrick Sidders, v.p. finance & treasurer; Charles Huber, v.p.-administration; John Marcotte, v.p.-operations; Irwin Roitenberg, v.p.-corporate financial relations & corporate secretary; Doris Wineski, v.p.-catalog production; John M. Happe, v.p. & controller; Bernard B. Gordon, v.p. & gen. mgr.-Pacific Northwest; Kenneth W. Lewis II, v.p.-human relations; Robert E. Wardlow, v.p.-marketing.

Directors: Harold Roitenberg, Leonard LaBelle, Stephen K. Lieberman, Charles Huber, Harold G. Olson, John Schwarz, Patrick Sidders, James H. Ruben, Yale T. Dolignow.

Business Activities: Operates 73 catalog showrooms which sell jewelry, home electronic equipment toys, sporting goods, small appliances, housewares, giftware, luggage, cameras, and health and beauty aids in 18 states; publishes catalogs for the showroom industry.

Divisions & Subsidiaries:

Creative Merchandising & Publishing, Inc.
5101 Shady Oak Road
Minnetonka, Minnesota 55343
(612) 932-1616

Great Western
Lewiston & Boise, Idaho

Jafco
Seattle, Tacoma, Lynnwood, Bellevue & Tukwila, Washington; Milwaukie, Portland & Beaverton, Oregon

LaBelle's
Brooklyn Center, Roseville, Minnetonka, Richfield, Minneapolis & St. Paul, Minnesota; Billings & Missola, Montana; Phoenix, Mesa, Tucson & Scottsdale, Arizona; Denver, Lakewood & Westminister, Colorado; Albuquerque, New Mexico; Salt Lake City, Odgen, Utah; Fargo, North Dakota; Sioux Falls, South Dakota.

Miller Sales
Canton & Massillion, Ohio

Rogers Distributing Company
Lansing & Grand Rapids, Michigan

Standard Sales
Jacksonville, Tallahassee, St. Petersburg, Tampa & Maitland, Florida

Anchor
Clayton & St. Louis, Missouri

Dolgin's
Overland Park & Kansas City, Kansas; East Kansas City, North Kansas City, Bridgeton & South County, Missouri

Acquisition(s):

Leeds Holding, Inc.
Casselberry, Clearwater, Ft. Lauderdale, Maitland, Orlando & Tampa, Florida.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): New York

Ticker Symbol: MOM

Number of Units: (at fiscal year end)

1979	73	1976	34
1978	51	1975	34
1977	43		

Sales and Earnings †

	Revenues	Net Income
1979	$678,820,000	$ 12,740,000
1978	522,518,000	17,121,000
1977	416,528,000	12,922,000
1976	288,709,000	10,431,000
1975	204,874,000	6,085,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	8,399,000	$1.52
1978	8,408,000	2.04
1977	8,081,000	1.60
1976	7,328,000	1.42
1975	6,393,000	0.95

† Restated to reflect change in year end; these figures are for 52 or 53 week periods.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues by Line of Business

	1979	1978
Showrooms	$630,947,000	$483,711,000
Catalogs	47,873,000	38,807,000
Total	$678,820,000	$522,518,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	0.16	—	—
1977	0.12	—	2-for-1 #
1976	0.08	—	—
1975	—	—	5-for-4‡

+ Restated to reflect change in year end.
# In the form of a 100% stock dividend.
‡ In the form of a 25% stock dividend.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1979	$ 93,612,000	$11.15
1978	81,976,000	9.75
1977	66,207,000	8.19
1976	44,237,000	6.04
1975	33,726,000	5.28

† Restated to reflect change in year end.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended	2/2/80	2/3/79 (7 months)
Revenues	$678,819,697	$360,702,282
Cost of sales	516,737,129	266,876,913
Expenses	123,962,552	61,012,155
Interest expense	15,007,362	6,067,875
Income before taxes	$ 23,112,654	$ 26,745,339
Income taxes	10,373,000	12,801,000
Net Income	$ 12,739,654	$ 13,944,339

* Included in Costs and Expenses, Depreciation: $8,597,448 in 1979 and $3,733,860 in 1978.

Assets

As of	2/2/80	2/3/79
Cash	$ 10,018,805	$ 5,465,061
Accts. receiv. net	22,187,065	11,977,428
* Inventories	199,328,595	131,529,442
Prepaid expenses	5,827,525	9,105,653
Current Assets	$237,361,990	$158,077,584
≠ Fixed assets	113,661,358	83,843,669
Other assets	1,198,279	653,792
Intangibles	11,024,373	8,449,398
Defer. charges	1,159,976	1,679,180
Defer. tax benefits	781,491	555,911
Total Assets	$365,187,467	$253,259,534

Liabilities

Notes payable	$ 77,415,037	$ 30,012,572
Long-term debt, curr.	4,465,233	2,267,805
Accts. payable	36,114,304	19,246,518
Income taxes	7,499,022	9,156,586
Other liabilities	13,651,977	10,865,700
Dividends payable	—	403,847
Curr. Liabilities	$149,054,425	$ 77,407,850
Long-term debt	36,940,672	28,756,593
Oblig. under capital leases	81,998,389	61,077,415
10% subord. debentures	3,581,547	4,042,146
+ Common stock	81,044	80,728
Add. paid-in capital	26,893,362	26,783,313
Retained earnings	66,638,028	55,111,489
Total Liabilities & Shareholders' Equity	$365,187,467	$253,259,534

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.40	7.41
%Net Income to Revenues	1.88	3.87
%Net Income to Equity	13.61	17.01
Working Capital	$ 88,307,565	$ 80,669,734
Current Ratio	1.59	2.04
Shareholders' Equity	$ 93,612,434	$ 81,975,530

Morse Shoe, Inc.

555 Turnpike Street
Canton, Massachusetts 02021
(617) 828-9300

Officers: Louis R. Shindler, chief exec. officer; Milton Shore, president & chief operating officer; Henry T. Mann, sr. v.p.-finance & treasurer; Jack Podgur, v.p.-dir. of real estate; Marvin G. Schwartz, v.p. & comptroller; Herbert S. Cohen, Herbert I. Rosenberg, vice presidents & merchandise mgrs.; Sanford M. Chorney, v.p. & dir. of discount & Fayva operations; Harrison H. Gass, v.p./& dir. of mfg.; Barrett S. Wayne, v.p., secretary & gen. counsel.

Directors: Henry T. Mann, John T. Booth, Alfred L. Morse, Milton Shore, Louis R. Shindler, Donald C. Carroll, Robert T. Sakowitz, Ernest J. Sargeant, Peter V. Tishman, Barrett S. Wayne, Jerome Zimmerman, Jesse Hill, Jr.

Business Activities: Operates chains of retail shoe stores (Fayva, Morse, Upstage, and Jack & Jill) and footwear departments in discount stores in the United States and Canada; manufactures footwear in the U.S. and Puerto Rico. Wholesale footwear in the United States, Canada and Europe.

Subsidiaries:

Jo-Gal Shoe, Inc.
Appleton Street
Lawrence, Massachusetts 01840
(617) 683-3134

Milford Shoe, Inc.
Limerick Footwear, Inc.

Bendev Shoe, Inc.
62 N. Bow Street
Milford, Massachusetts 01757
(617) 969-7270

Lowell Shoe, Inc.
95 Bridge Street
Lowell, Massachusetts 01852
(617) 933-4201

Morse Shoe (Canada), Ltd.
St. Laurent, Quebec, Canada
Meridian Footwear Ltd.
Canton, Massachusetts

Morse Shoe International, Inc.
Meridan Trading S.r.l.
Florence, Italy

Isabela Shoe Corp.
Isabela, Puerto Rico
White Cap Footwear Inc.
Comerio, Puerto Rico

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: MRS

Number of Stores:* (at fiscal year end)

1979	1,106	1976	844
1978	981	1975	746
1977	914		

* Including leased departments.

Sales and Earnings

	Net Sales	Net Income
1979	$384,921,000	$ 15,015,000
1978	336,274,000	15,201,000
1977	284,377,000	11,718,000
1976	243,582,000	10,659,000
1975*	205,767,000	7,002,000

	No. of Com. Shares †	Earn. per Share ‡
1979	5,184,729	$2.87
1978	5,180,765	2.93
1977	5,085,226	2.29
1976	4,992,521	2.09
1975	4,910,178	1.40

* 53 weeks.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$0.68	—	—
1978	0.58	—	4-for-3
1977	0.41	—	—
1976	0.25	—	—
1975	0.13	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1979	$ 92,817,173	$17.90
1978	81,405,173	15.71
1977	68,298,173	13.43
1976	58,644,173	11.74
1975	49,003,173	9.98

‡ After allowing for preferred stock at liquidation value of $40.35 per share.
† Adjusted to reflect stock split.

Income Account
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 384,921	$ 336,274
Cost of sales	237,409	208,280
Expenses	112,974	95,169
Depreciation & amortization	3,738	3,230
Interest expense	5,117	2,438
Income before taxes	$ 25,683	$ 27,157
Income taxes	10,668	11,956
Net Income	$ 15,015	$ 15,201

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 5,692	$ 6,519
Short-term invest.	11,330	700
Accts. receiv., net	20,000	17,308
Due from lessors	2,980	2,090
Prepaid income taxes	1,476	1,083
* Inventories	96,020	89,469
Prepaid expenses	858	427
Current Assets	$ 138,356	$ 117,596
Security deposits	240	536
≠ Fixed assets	26,077	19,541
Other assets	1,134	929
Defer. charges	463	268
Intangibles	888	965
Total Assets	$ 167,158	$ 139,835

Liabilities
(000's)

Notes payable	$ —	$ 15,752
Long-term debt, curr.	416	451
Accts. payable	12,944	10,659
Accruals	6,328	6,530
Dividends payable	968	890
Income taxes	3,924	4,092
Curr. Liabilities	$ 24,580	$ 38,374
Long-term debt	45,647	16,065
Other liabilities	1,330	1,207
+ Preferred stock	69	69
+ + Common stock	5,185	5,181
Add. paid-in capital	526	496
Retained earnings	89,821	78,443
Total Liabilities & Shareholders' Equity	$167,158	$ 139,835

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value, Series A cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.67	8.08
%Net Income to Sales	3.90	4.52
%Net Income to Equity	15.71	18.06
Sales to Inventories	4.01	3.76
Working Capital	$113,776,000	$ 79,222,000
Current Ratio	5.63	3.06
Shareholders' Equity	$ 95,601,000	$ 84,189,000

Morton Shoe Companies, Inc.

647 Summer Street
Boston, Massachusetts 02210
(617) 269-6100

Morton Shoe Companies, Inc.

Officers: Louis Narva, chairman of the board; Morton I. Narva, president & chief executive officer; Herbert Bremner, Eugene M. Brindis, Edward R. Paris, Robert J. Selig, Reyer Swan, sr. v.p.'s; Richard L. Narva, v.p. & general counsel; Francis W. Ryan, v.p. & controller; David M. Narva, treasurer.

Directors: Louis Narva*, Morton I. Narva*, David M. Narva*, Henry E. Allen, Andrew L. Nichols, Eugene M. Brindis*, Herbert Bremner*, Reyer Swan*, Robert Selig*, Edward R. Paris*, Robert W. Corson, Calvin Siegal.

*Member of Executive Committee.

Business Activities: Manufacturer and marketer of footwear. Produces men's shoes through its Laconia subsidiary and a variety of vinyl footwear and other vinyl products through its Hampshire subsidiary. Markets footwear through 260 leased shoe departments in major retail stores, through its own chain of 37 "Tagway" retail shoe stores and through direct sales to approximately 470 retail stores to which it also provides footwear merchandising services.

Subsidiaries:

Morton's Shoe Stores, Inc.
647 Summer Street
Boston, Massachusetts 02210
(617) 269-6100

Leased Department Division
Operates 260 leased shoe departments located in discount department stores in 32 states, the District of Columbia, Puerto Rico and the Virgin Islands.

Tagway Stores
Operates 37 retail footwear stores in 8 states.

FMS Division
Sells footwear at wholesale to 460 units in 37 states and provides a range of merchandising services to its customers.

Laconia Shoe Company, Inc.
260 Union Avenue
Post Office Box 160
Laconia, New Hampshire 03246
(603) 524-2000
Manufactures and markets men's dress and casual shoes under its own STREETCARS brand in addition to footwear for their private label customers such as general merchandise chains, shoe departments of department stores and mail-order businesses.

Laconia Shoe/Maine Inc.
Front Street
Sanford, Maine 04073
Manufactures footwear to order for its customers under private labels.

Paris Shoe Company, Inc.
95 Bridge St.
Lowell, Massachusetts 01852
(617) 729-7240
Manufactures footwear to order for its customers under private labels.

Hampshire Manufacturing Corporation
1 Factory Street
Nashua, New Hampshire 03060
(603) 883-1511
Manufactures plastic products, including boots, beach floats, air mattresses, inflated boats and other items.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: MOS

Number of Retail Outlets: (at fiscal year end)

1979	301	1976	309
1978	303	1975	361
1977	312		

Sales and Earnings

	Net Sales	Net Income ×
1979	$103,930,820	$ 2,080,358
1978	95,376,444	1,682,391
1977	86,074,005	360,000
1976*	91,762,891	2,400,000
1975	82,442,475	892,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	1,533,447	$1.36
1978	1,522,224	1.11
1977	1,521,955	0.24
1976	1,521,303	1.58
1975	1,521,130	0.59

* 53 weeks.
‡ Based on the weighted average number of shares outstanding.
× Restated to reflect capitalization of leases.

Revenues by Line of Business

	1979	1978	1977	1976
Retail	56%	47%	51%	31%
Footwear	36	43	41	8
Non-footwear	8	10	8	62
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.32	—	—
1978	0.32	—	—
1977	0.32	—	—
1976	0.32	—	—
1975	0.32	—	—

Common Stock Equity †

	Total Equity	Equity Per Share
1979	$ 19,291,897	$12.58
1978	17,671,447	11.61
1977	16,465,000	10.82
1976	16,593,000	10.91
1975	14,678,000	9.65

† Restated to reflect capitalization of leases.

Income Account*

Year ended	6/30/79	7/1/78 †
Net sales	$103,930,820	$ 95,376,444
Cost of sales	70,909,888	66,935,569
Expenses	26,768,774	23,678,752
Oper. profit	$ 6,252,158	$ 4,762,123
Other expense (income)	20,401	(43,156)
Total	$ 6,231,757	$ 4,805,279
Interest expense	2,223,370	1,459,156
Income before taxes	$ 4,008,387	$ 3,346,123
Income taxes	1,557,400	1,248,790
Minority interest	370,629	414,942
Net Income	$ 2,080,358	$ 1,682,391

* Included in Costs and Expenses, Depreciation and Amortization: $1,598,488 in 1979 and $1,516,336 in 1978.
† Restated to reflect capitalization of leases.

Assets

As of	6/30/79	7/1/78 †
Cash	$ 1,868,992	$ 1,388,990
Accts. receiv., net	13,724,783	13,585,767
*Inventories	30,018,349	25,311,073
Prepaid expenses	838,784	894,497
Current Assets	$ 46,450,908	$ 41,180,327
Eq. in 50% owned co.	603,509	519,401
≠Fixed assets	5,158,634	4,395,448
Cap. lease oblig.	1,165,811	2,148,762
Other assets	1,377,505	374,215
Intangibles	2,174,974	1,377,505
Total Assets	$ 56,931,341	$ 49,995,658

Liabilities

Notes payable	$ 4,129,351	$ 8,995,842
Long-term debt, curr.	44,629	728,270
Cap. lease oblig., curr.	274,399	249,113
Accts. payable	8,747,472	9,242,491
Accruals	2,582,611	1,875,221
Income taxes	416,246	825,996
Current Liabilities	$ 16,194,708	$ 21,916,933
Long-term debt	16,258,337	5,502,640
Cap. lease oblig.	1,987,882	1,967,134
Minority interest	2,864,031	2,590,402
Other long-term liabilities	334,486	347,102
+Common stock	1,534,230	1,525,030
Add. paid-in capital	3,818,452	3,796,702
Retained earnings	13,939,215	12,349,715
Total Liabilities & Shareholders' Equity	$ 56,931,341	$ 49,995,658

† Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.86	3.51
%Net Income to Sales	2.00	1.76
%Net Income to Equity	10.78	9.52
Sales to Inventories	3.46	3.77
Working Capital	$ 30,256,200	$ 19,263,394
Current Ratio	2.87	1.88
Shareholders' Equity	$ 19,291,897	$ 17,671,447

Mott's Super Markets, Inc.

P.O. Box 1675
59-65 Leggett Street
East Hartford, Connecticut 06101
(203) 289-3301

Officers: Joseph P. Mott, chairman of the board & chief exec. officer; Stanford Cohen, president & chief operating officer; Lewis Ellish, vice chairman of board; Stanley Baskind, exec. v.p.-finance & treasurer; Peter Casasanta, sr. v.p.-perishables; John Massaua, exec. v.p.-operations; Sylvia Gottlieb, v.p.-sales & merchandising & secretary; Stephen Goldberg, v.p.-general merchandise.

Directors: Joseph P. Mott, Stanford Cohen, Lewis Ellish, Laurence J. Ackerman, Henry Everett, Stanley Baskind, Marshall J. Mott.

Business Activities: Operates a chain of Shop-Rite Supermarkets. Also operates three free-standing retail drug outlets in Connecticut, under the name "ShopRite Drug Stores," which dispense prescription drugs. Three of the company's supermarkets also contain in-store prescription drug departments. In addition, two retail package store outlets are operated in Connecticut under the name "ShopRite Liquor Store."

Transfer Agent(s):

Connecticut Bank & Trust Company
Hartford, Connecticut

Stock Exchange(s): American

Ticker Symbol: MSM

Number of Stores: (at fiscal year end)

1979	25	1976	21
1978	23	1975	21
1977	22		

Sales and Earnings

	Net Sales	Net Income
1979	$234,792,325	$ 2,888,457
1978	211,233,206	2,786,553
1977	169,299,786	1,559,538
1976*	154,122,458	817,978
1975	139,262,157	1,227,451

	No. of Com. Shares	Earn. per Share†
1979	1,427,487	$2.02
1978	1,427,487	1.95
1977	1,180,456	1.09
1976*	1,180,456	0.57
1975	1,180,456	0.86

† Adjusted to reflect stock dividends.
* 53 weeks.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	10% & 10%	—
1977	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 19,013,376	$13.32
1978	16,410,417	11.50
1977	13,758,864	11.66

Income Account

Year ended	12/29/79	12/30/78
Net sales	$234,792,325	$211,233,206
Cost of sales	191,881,418	172,967,228
Expenses	38,259,923	33,590,614
Depreciation	1,156,328	969,743
Other income	(1,492,490)	(1,214,604)
Interest expense	27,078	29,015
Income before taxes	$ 4,960,068	$ 4,891,210
Income taxes	2,071,611	2,104,657
Net Income	$ 2,888,457	$ 2,786,553

Assets

As of	12/29/79	12/30/78
Cash	$ 12,540,443	$ 9,688,657
Accts. receiv., net	677,909	371,509
Refundable taxes	56,274	47,784
*Inventories	10,483,132	8,748,557
Prepaid expenses	165,344	159,828
Current Assets	$ 23,923,102	$ 19,016,335
Investments	3,195,410	3,251,293
#Fixed assets	8,082,591	7,151,628
Other assets	57,361	58,840
Total Assets	$ 35,258,464	$ 29,478,096

Liabilities

Long-term debt, curr.	$ 66,421	$ 62,718
Dividends payable	71,374	61,495
Accts. payable	13,665,253	9,128,822
Accruals	1,017,453	2,425,398
Curr. Liabilities	$ 14,820,501	$ 11,678,433
Long-term debt	343,105	409,525
Deferred inc. taxes	684,097	630,881
Deferred comp.	397,385	348,840
+Common stock	1,427,487	1,427,487
Add. paid-in capital	3,151,391	3,151,391
Retained earnings	14,434,498	11,831,539
Total Liabilities & Shareholders' Equity	$ 35,258,464	$ 29,478,096

* At cost (FIFO) by the retail method.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.11	2.32
%Net Income to Sales	1.23	1.33
%Net Income to Equity	15.19	16.98
Sales to Inventories	22.40	24.14
Working Capital	$ 9,102,601	$ 7,337,902
Current Ratio	1.61	1.63
Shareholders' Equity	$ 19,013,376	$ 16,410,417

Munford, Inc.

1860-74 Peachtree Road, N.W.
Box 7701, Station C
Atlanta, Georgia 30309
(404) 873-6641

Officers: Dillard Munford, chairman of the board & chief exec. officer; Herbert J. Dickson, president; Robert D. Blythe, executive v.p.-finance; Russell C. Fellows, sr. v.p.-petroleum marketing; Stephen N. Danneman, sr. v.p.-administration & secretary; Joseph W. Hardin, v.p. & treasurer; Jay E. Rubel, v.p.-facilities development; James M. Carroll, v.p. & controller

Directors: Dillard Munford, chairman; Winton M. Blount, S. B. Rymer, Jr., Alvin B. Cates, Jr., Roy Richards, Don A. Yancey, Robert L. Redfearn, Robert D. Blythe, Herbert J. Dickson, Russell C. Fellows.

Business Activities: Company activities include the operation of company-owned and franchised convenience food stores under the name "Majik Market." Many of these food stores have gasoline stations operating in conjunction with them. Munford-Do-It-Yourself Stores, engaged in the retail sale of construction supplies (includes franchise stores); World Bazaar import stores feature gift and home furnishing item's (includes 61 franchise stores); also operated 11 refrigerated warehouses and one ice plant.

Divisions & Subsidiaries

Food Stores Division
Refrigerated Warehouse Division
World Bazaar Division
Building Materials Division

Transfer Agent(s):

Trust Company Bank
Atlanta, Georgia

Chemical Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: MFD

Number of Retail Units: (at fiscal year end)

	Food Stores	Munford Do-It-Yourself Stores	World Bazaar Stores
1979*	1,184	1	73
1978	1,211	6	56
1977	1,351	8	42
1976	1,310	38	95
1975	1,408	38	79

	Gasoline Installations
1979	555
1978	512
1977	342
1976	350
1975	293

Sales and Earnings

	Net Sales†	Net Income
1979*	$292,367,000	$ 2,309,000
1978	260,032,000	(1,187,000)
1977	233,578,000	(1,050,000)
1976	232,804,000	388,000
1975	226,784,000	4,287,000

	No. of Com. Shares#	Earn. per Share#
1979	2,644,035	$0.87
1978	2,117,165	—
1977	2,115,247	—
1976	2,628,138	0.15
1975	2,627,329	1.63

(Loss)
* 53 weeks.
† Of continuing operations only; includes other revenues.
# Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1979	1978
Convenience Food Stores	$ 257,586	$ 233,174
Refrigerated Warehouses	11,561	10,960
Import Stores	21,221	14,338
Corporate & Others	1,999	1,560
Total	$ 292,367	$ 260,032

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$ —	—	—
1978	0.10	—	—
1977	0.40	—	—
1976	0.40	—	—
1975	0.36	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share +
1979	$ 25,546,000	$9.66
1978	23,368,000	11.04
1977	24,910,000	11.78

‡ After allowing for preferred stock at redemption value of $10.40 per share.
+ Based on weighted average number of common shares and common share equivalents outstanding.

Income Account*

Year ended	1/3/80 (53 weeks)	12/28/79
Net sales	$292,367,000	$260,032,000
Cost of sales	198,138,000	178,314,000
Expenses	76,545,000	68,253,000
Depreciation & amortization	7,898,000	7,377,000
Other income	(263,000)	(1,638,000)
Interest expense	6,705,000	6,956,000
Income before taxes	$ 3,344,000	$ 770,000
Income taxes	1,035,000	69,000
Income from cont. oper.	$ 2,309,000	$ 701,000
Loss from discont. oper.	—	(1,888,000)
Net Income (Loss)	$ 2,309,000	$ (1,187,000)

* Included in Costs and Expenses, Depreciation and Amortization: $7,898,000 in 1979 and $7,377,000 in 1978.

Assets

As of	1/3/80	12/28/78
Cash	$ 2,137,000	$ 3,098,000
Cash escrow	1,000,000	1,000,000

Accts. receiv., net	5,529,000	7,038,000
Refundable taxes	—	579,000
*Inventories	37,721,000	37,334,000
Prepaid expenses	4,139,000	2,320,000
Current Assets	$ 50,526,000	$ 51,369,000
≠Fixed assets	34,888,000	34,951,000
Other assets	6,020,000	6,149,000
Cap. leases	36,826,000	40,678,000
Total Assets	$128,260,000	$133,147,000

Liabilities

Notes payable	$ —	$ 4,500,000
Long-term debt, curr.	1,527,000	2,343,000
Accts. payable	28,142,000	25,791,000
Dividends payable	—	84,000
Income taxes	109,000	136,000
Capital lease oblig., curr.	4,691,000	4,547,000
Curr. Liabilities	$ 34,469,000	$ 37,401,000
Long-term debt	17,224,000	17,567,000
Capital lease oblig.	38,256,000	42,565
Deferred inc. taxes	3,262,000	2,552,000
Other non-current liab.	757,000	912,000
+ Preferred stock	8,409,000	8,444,000
+ + Common stock	2,152,000	2,133,000
Add. paid-in capital	5,238,000	5,062,000
Retained earnings	18,493,000	16,582,000
Treasury stock	—	(71,000)
Total Liabilities & Shareholders' Equity	$128,260,000	$133,147,000

* At lower of cost or market.
≠ Less accumulated depreciation.
+ $10 par value; 4% cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.14	—
%Net Income to Sales	0.79	—
%Net Income to Equity	6.73	—
Working Capital	$ 16,057,000	$ 13,968,000
Current Ratio	1.47	1.37
Shareholders' Equity	$ 34,292,000	$ 32,150,000

G. C. Murphy Company

531 Fifth Avenue
McKeesport, Pennsylvania 15132
(412) 675-2000

Officers: S. Warne Robinson, chairman of the board & chief exec. officer; Charles H. Lytle, president & chief oper. officer; Thomas F. Hudak, sr. v.p.-finance & chief financial officer; Judson M. Ellis, Jr., v.p.-real estate; Robert L. Rowe, v.p.-sales promotion & advertising; Eugene A. Grissinger, v.p.-store planning & construction; Philip W. Rogers, v.p.-human resources; Richard T. Tracey, v.p.-sales; Robert T. Messner, v.p., secretary & general counsel; Aubrey R. Johnson, v.p.-merchandise; Luther R. Shay, v.p.-administrative services; C. Lee Breakwell, v.p.-distribution & traffic; Gerald M. Prado, asst. v.p. & treasurer; Robert J. Dowie, asst. v.p.-computer services; David J. Krâuse, controller; Samuel Cusano, asst. controller; Kathryn B. Cush, Joseph K. Haggerty, asst. secretaries.

Directors: Walter C. Shaw, Jr., Reed H. Albig, W. Fred Greenleaf*, S. Warne Robinson, Eugene A. Grissinger*, Malcolm Anderson*, Judson M. Ellis, Jr.,* John C. Jamison*, Martha Mack Lewis*, Thomas F. Hudak*, Edgar L. Paxton, C.H. Lytle*, John G. Auld.

* Member of Executive Committee.

Business Activities: Operates a chain of general merchandise stores under the name Murphy. Also operates 14 junior department stores under the names Terry Farris and Bruners and 2 specialty apparel stores under the Cobbs name. Murphy's Marts are complete shopping complexes operated by the Company. Stores are located in 23 states, principally in the Mid-East, North Central and Gulf Coast regions of the United States, and the District of Columbia.

Subsidiaries:

Mack Realty Company
Murphy Development Corporation
Spotsylvania Realty Company
M & L Realty Company, Inc.
Court House Village Company

all at:

531 Fifth Avenue
McKeesport, Pennsylvania 15132

Transfer Agent(s):

Bradford Trust Company
Two Broadway
New York, New York 10004

Stock Exchange(s): New York

Ticker Symbol: MPH

Number of Stores: (at fiscal year end)

1979	467	1976	545
1978	480	1975	529
1977	536		

Sales and Earnings

	Net Sales	Net Income ≠†
1979*	$756,875,000	$ 9,854,000
1978	711,996,000	202,000
1977	664,708,000	8,294,000
1976	615,167,000	9,971,000
1975	553,695,278	9,502,000

	No. of Com. Shares ‡	Earn. per Share ‡≠†
1979*	3,935,000	$2.50
1978	3,924,000	0.05
1977	3,290,000	2.12
1976†	3,914,000	2.55
1975	3,907,000	2.43

* 53 weeks.
† Restated to reflect change in accounting method.
‡ Based on average number of shares outstanding.
≠ Including extraordinary loss of $921,000 ($0.23 per share) in 1977.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.28	—	—
1978	1.28	—	—
1977	1.28	—	—
1976	1.20	—	—
1975	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$126,042,000	$31.93
1978	120,960,000	30.81
1977	125,737,000	32.05
1976	122,400,000	31.24
1975	119,212,000	30.51

Income Account

Year ended	1/31/80 (53 weeks)	1/25/79
Net sales	$756,875,000	$711,996,000
Other income	1,221,000	798,000
Total income	$758,096,000	$712,794,000
Cost of sales	550,746,000	517,200,000
Expenses	154,543,000	148,805,000
Depreciation & amortization	9,827,000	9,989,000
Interest on cap. lease oblig.	2,404,000	2,395,000
Interest expense	7,428,000	5,405,000
Misc. taxes	13,757,000	13,309,000
Other charges	587,000	15,689,000
Income before taxes	$ 18,804,000	$ 2,000
Income taxes (credit)	8,950,000	(200,000)
Net Income	$ 9,854,000	$ 202,000

Assets

As of	1/31/80	1/25/79
Cash	$ 16,024,000	$ 11,621,000
Accts. receiv., net	6,440,000	7,191,000
* Inventories	147,228,000	168,062,000
Prepaid expenses	3,849,000	3,950,000
Current Assets	$173,541,000	$190,824,000
Minimum lease payments receiv.	3,973,000	3,325,000
≠ Fixed assets	103,197,000	105,016,000
Other assets	1,136,000	1,206,000
Intangibles	6,929,000	6,929,000
Total Assets	$288,776,000	$307,300,000

Liabilities

Accts. payable	$ 49,982,000	$ 75,290,000
Accruals	12,546,000	13,193,000
Dividends payable	1,263,000	1,256,000
Income taxes	3,490,000	2,751,000
Cap. lease oblig.	1,003,000	1,152,000
Est. liabil. related to store closed	1,223,000	3,978,000
Curr. Liabilities	$ 69,507,000	$ 97,620,000
Long-term debt	45,030,000	43,872,000
Cap. lease oblig., non-curr.	32,154,000	31,162,000
Est. liabil. related to stores closed	2,767,000	3,979,000
Deferred inc. taxes	10,293,000	7,968,000
Unearned income	2,028,000	1,739,000
Other liab.	955,000	
+ Common stock	4,259,000	4,259,000
Add. paid-in capital	8,845,000	9,109,000
Retained earnings	120,711,000	115,899,000
Treasury stock	(7,773,000)	(8,307,000)
Total Liabilities & Shareholders' Equity	$288,776,000	$307,300,000

† Restated to reflect change in accounting method.
* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.48	—
%Net Income to Sales	1.30	0.03
%Net Income to Equity	7.82	0.17
Sales to Inventories	5.14	4.24
Working Capital	$104,034,000	$ 93,204,000
Current Ratio	2.50	1.95
Shareholders' Equity	$126,042,000	$120,960,000

Nash Finch Company

3381 Gorham Avenue
St. Louis Park, Minnesota 55426
(612) 929-0371

Officers: Thomas A. Riley, chairman of the board & chief executive officer; Harold B. Finch, Jr., president & chief operating officer; Alan W. Clark, A. C. Wangaard, Jr., Russell N. Mammel, v.p.'s; J. O. Rodysill, asst. v.p.; Robert F. Nash, treasurer; Burton M. West, asst. treasurer; Julian W. Mageli, secretary; Walter G. Hreno, asst. secretary; J. F. Shekleton, controller.

Directors: Floyd C. Ashley*, Alan W. Clark*, Harold B. Finch, Jr.*, Julian W. Mageli, Edgar V. Nash, Robert F. Nash*, Thomas A. Riley*, Arthur C. Wangaard, Jr.*, R. N. Mammel*, J. O. Rodysill, J. F. Shekleton, Ann M. Crowley, Donald R. Miller.

* Member of Executive Committee.

Business Activities: Owns and operates 104 supermarkets, membership food markets and Family Thrift Centers. Its 13 food distribution centers supply approximately 370 franchised supermarkets and over 1,700 independent retailers and institutions. The firm also owns a produce marketing subsidiary in California, which sells fresh fruits and vegetables to large wholesalers and chain retailers.

Divisions & Subsidiaries:

Piggly Wiggly
Corporate and franchise supermarkets in North and South Dakota, Minnesota and Montana.

Jack & Jill
Corporate and franchise supermarkets in Minnesota, North and South Dakota, Iowa, Illinois, Nebraska, Kansas, Texas, Montana, Oklahoma, Wyoming.

Sun Mart
Corporate supermarkets in Iowa.

Clifton's
Corporate supermarkets in Iowa.

Family Thrift Center
Mass merchandising stores in South Dakota and North Dakota.

Unimart Thrift Center
A mass merchandising store in Kearney, Nebraska.

Food Bonanza
Membership food markets in Minnesota.

Prairie Market
Membership food markets in South Dakota and Minnesota.

Warehouse Market
Membership food markets in Minnesota, North Dakota, Iowa, Nebraska, Kansas and Illinois.

The Nash DeCamp Company
Produce marketing subsidiaries in California and Arizona.

Me Too Food Stores
Corporate supermarkets in Iowa.

S. C. Shannon Co.
Valley Cash & Carry, Inc.
Food distribution center serving independent food retailers in Wisconsin.

Transfer Agent(s):

Nash Finch Company
3381 Gorham Avenue
St. Louis, Minnesota 55426

Stock Exchange(s): Over-the-Counter

Number of Corp. Supermarkets: (at fiscal year end)

1979	67	1976	72
1978	69	1975	71
1977	70		

Sales and Earnings

	Net Sales +	Net Income
1979	$881,740,000	$ 10,050,000
1978	770,472,000	9,797,000
1977	673,586,000	8,678,000
1976	619,995,000	8,102,000
1975*	590,234,000	7,368,000

	No. of Com. Shares #‡	Earn. per Share #‡
1979	3,510,000	$2.86
1978	3,533,000	2.77
1977	3,492,000	2.48
1976	3,456,000	2.34
1975	3,440,000	2.14

* 53 weeks.
+ Includes operating revenues and other income.
# Based on average number of shares outstanding.
‡ Adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978	1977	1976
Wholesale	54.0%	54.1%	53.2%	52.0%
Retail	44.0	43.5	44.4	45.7
Product marketing*	2.0	2.4	2.4	2.3
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$1.08	—	—
1978	0.95	—	2-for-1
1977	0.90	—	—
1976	0.80	—	—
1975	0.70	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 68,685,000	$19.66
1978	62,743,000	17.85
1977	56,568,000	16.15
1976	50,734,000	14.67
1975	45,370,000	13.60

# Based on average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$869,436,190	$760,450,526
Other income	12,303,853	10,021,735
Total Income	$881,740,043	$770,472,261
Cost of sales	769,170,942	668,284,638
Expenses	86,112,681	74,346,092
Depreciation & amortization	6,133,802	5,435,398
Prof. sh. plan	1,622,372	1,188,370
Interest expense	2,375,266	2,231,780
Income before taxes	$ 16,324,980	$ 18,985,983
Income taxes	7,591,898	9,189,308
Change in acctng. method	(1,316,904)	—
Net Income	$ 10,049,986	$ 9,796,675

* Included in Costs and Expenses, Depreciation and Amortization: $5,366,172 in 1979 and $4,747,667 in 1978.

Assets

As of	12/29/79	12/30/78
Cert. of deposit	$ 3,999,362	$ 10,005,313
Short-term investments	6,158,244	6,640,050
Accts. receiv., net	12,656,147	11,497,548
*Inventories	72,857,126	64,424,304
Prepaid expenses	1,371,531	1,278,076
Current Assets	$ 97,042,410	$ 93,845,291
Investments	3,758,[illegible]00	3,542,543
#Fixed assets	38,340,[illegible]36	32,176,489
Oblig. under cap. leases	8,398,064	7,598,605
Defer. charges	125,865	136,169
Defer. income taxes	548,722	254,984
Intangibles	907,999	985,348
Total Assets	$149,121,796	$138,539,429

Liabilities

Outstanding checks	$ 6,051,985	$ 6,029,021
Long-term debt, curr. & cap. lease oblig.	1,890,359	1,889,484
Accts. payable	35,445,956	30,930,115
Accruals	6,548,066	5,436,899
Income taxes	890,037	2,934,437
Curr. Liabilities	$ 50,826,403	$ 47,219,956
Long-term debt	17,053,991	16,312,894
Cap. lease oblig.	9,740,106	8,833,799
Deferred invest. credit	—	1,316,904
Deferred compensation	2,160,056	1,794,883
Lease loss provision	563,611	213,400
Deferred gains	92,897	104,448
+Common stock	5,932,057	5,932,057
Add. paid-in capital	1,278,692	1,278,110
Retained earnings	62,482,405	56,225,053
Treasury stock	(1,008,422)	(692,075)
Total Liabilities & Shareholders' Equity	$149,121,796	$138,539,429

* At lower of cost (LIFO or FIFO) or market.
# Less accumulated depreciation.
+ $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	1.88	2.50
%Net Income to Sales	1.16	1.29
%Net Income to Equity	14.63	15.61
Sales to Inventories	11.93	11.80
Working Capital	$ 46,216,007	$ 46,625,335
Current Ratio	1.91	1.99
Shareholders' Equity	$ 68,684,732	$ 62,743,145

National Convenience Stores Incorporated

3200 Travis Street
P.O. Box 758
Houston, Texas 77006
(713) 529-5711

Officers: V.H. Van Horn, president & chief exec. officer; S.I. Gelsey, v.p.-finance; B.B. Bradfield, v.p.-corp. development; K.E. Eastin, v.p.-general counsel; Fred J. Kurtz, v.p.-human resources; Tom Ewens, v.p.-stores; R.P. Morris, controller.

Directors: William Key Wilde, Raymond W. Oeland, Jr., Dunbar N. Chambers, Jr., Richard C. Steadman, Robert B. Stobaugh, V.H. Van Horn.

Business Activities: Operates a chain of self-service convenience food stores in 11 states; most stores are company-owned and operated under the names Stop N Go and Shop N Go and sell staple foods, groceries, beverages, snack foods, and other food items. Also operates gasoline service stations.

Division(s):

Western Division
17842 Irvine Boulevard, Suite 204
Broadmoor Square
Tustin, California 92680
(714) 832-2810

Southeastern Division
2692 Harris Street
East Point, Georgia 30344
(404) 763-3351

Southeast Texas Division
3200 Travis Street, Suite 207
Houston, Texas 77006
(713) 529-5711

North Texas-Midwest
3202 East Park Row
Arlington, Texas 76010
(817) 640-1121

Acquisition(s):

Texas Super Duper Markets, Inc.
Super Quik, Incorporated
Jay's Washateria, Inc.

Transfer Agent(s):

First City National Bank
P.O. Box 809
Houston, Texas 77001

National Convenience Stores Incorporated

Stock Exchange(s): American

Ticker Symbol: NCV

Number of Stores: (at fiscal year end)

1979	806	1976	743
1978	725	1975	801
1977	722		

Sales and Earnings ‡

	Net Sales	Net Income
1979	$320,363,000	$ 6,005,000
1978	263,705,000	4,848,000
1977	23[illegible]208,000	3,359,000
1976	212,606,000	2,274,000
1975	196,226,000	733,000

	No. of Com. Shares†	Earn. per Share #
1979	3,971,693	$1.50
1978	3,898,648	1.24
1977	3,801,058	0.87
1976	3,80[illegible],038	0.59
1975	3,[illegible]15,936	0.19

‡ Restated to reflect capitalization of leases.
† Adjusted to reflect stock dividends and stock split.
# Based on the average number of common and common equivalent shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	+ Stock Dividend	Stock Split
1979	$0.45	—	2-for-1
1978	0.27	—	—
1977	0.08	—	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity ‡

	Total Equity	Equity Per Share #
1979	$ 26,055,000	$6.56
1978	21,302,000	5.46
1977	17,529,000	4.61

‡ Restated to reflect capitalization of leases.
# Adjusted to reflect stock dividends and stock split.

Income Account *
(000's)

Year ended June 30	1979	1978 ‡
Net sales	$ 320,363	$ 263,705
Cost of sales	230,553	189,527
Oper. exp.	59,654	49,815
Expenses	17,011	13,247
Interest expense	3,366	2,885
Income before taxes	$ 9,779	$ 8,231
Income taxes	3,774	3,383
Net Income	$ 6,005	$ 4,848

* Included in Costs and Expenses, Depreciation and Amortization: $5,906,000 in 1979 and $4,881,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of June 30	1979	1978 ‡
Cash	$ 3,516	$ 3,431
Accts. & notes receiv., net	1,236	737
Store properties	3,766	4,203
* Inventories	22,378	19,745
Prepaid expenses	1,077	1,005
Current Assets	$ 31,973	$ 29,121
# Fixed assets	59,091	40,189
Other assets & defer. charges	9,630	5,197
Total Assets	$ 100,694	$ 74,507

Liabilities
(000's)

Long-term debt, curr.	$ 2,444	$ 1,191
Cap. lease oblig., curr.	1,543	1,388
Accts. payable	15,706	14,297
Accruals	4,162	3,319
Accrued payroll	3,305	3,011
Income taxes	151	475
Dividends payable	—	390
Curr. Liabilities	$ 27,311	$ 24,071
Long-term debt	19,009	5,646
Cap. lease oblig.	27,708	23,488
Deferred inc. taxes	611	—
+ Common stock	1,655	1,628
Add. paid-in capital	11,993	11,808
Retained earnings	12,640	8,017
Treasury stock	—	(48)
Deferred comp.	(233)	(103)
Total Liabilities & Shareholders' Equity	$ 100,694	$ 74,507

‡ Restated to reflect capitalization of leases.
* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.41⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	3.05	3.12
%Net Income to Sales	1.87	1.84
%Net Income to Equity	23.05	22.76
Sales to Inventories	14.32	13.36
Working Capital	$ 4,662,000	$ 5,050,000
Current Ratio	1.17	1.21
Shareholders' Equity	$ 26,055,000	$ 21,302,000

National Hardgoods Distributors Inc.

1330 Centre Street
Newton Center, Massachusetts 02159
(617) 969-4500

Officers: Sheldon M. Woolf, president; Arthur M. Kagan, v.p. & treasurer; Earl L. Woolf, v.p.-adm./corp. development; Jerry L. Goad, v.p.-operations; Milton Bordwin, clerk.

Directors: Sheldon M. Woolf, Martin E. Feldman, Melvin Weinstein, Howard Rubin, Arthur M. Kagan.

Business Activities: Operates leased departments offering a varied line of houseware, hardware, automotive garden and other small item accessories and supplies. These departments operate in discount stores throughout the United States. Also operates a chain of free-standing hardgoods stores in Massachusetts and Rhode Island.

Transfer Agent(s):

Continental Stock Transfer Corporation
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NHRD (NASDAQ)

Number of Retail Units: (at fiscal year end)

1980	57	1977	73
1979	59	1976	72
1978	71		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 33,277,510	$ 133,250
1979	35,689,339	124,027
1978	34,463,368	720,319
1977	33,189,808	760,016
1976*	28,139,782	615,402

	No. of Com. Shares	Earn. per Share ‡ #
1980	655,458	$0.20
1979	655,158	0.18
1978	686,268	0.98
1977	697,348	1.00
1976*	746,048	0.82

* 53 weeks.
‡ Based on the weighted average number of shares outstanding.
# Including extraordinary gains of $13,817 ($0.02 per share) in 1978, $71,800 ($0.09 per share) in 1977 and $2[illegible],067 ($0.02 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,425,206	$8.28
1979	5,291,243	8.08
1978	5,279,640	7.69
1977	4,669,762	6.70
1976	4,055,885	5.44

Income Account

Year ended	1/26/80	1/27/79
Net sales	$ 33,277,510	$ 35,689,339
Cost of sales & store oper. exp.	31,098,054	33,558,576
Expenses	1,282,325	1,361,372
Depreciation & amortization	305,202	306,258
Interest expense	448,456	284,103
Income before taxes	$ 143,473	$ 179,030
Income taxes	10,223	55,003
Net Income	$ 133,250	$ 124,027

Assets

As of	1/26/80	1/27/79
Cash	$ 298,894	$ 203,376
Marketable securities	98,075	108,150
Accts. receiv., net	137,694	290,757
*Inventories	9,092,231	8,698,272
Prepaid expenses	162,578	193,974
Refund. inc. taxes	80,289	453,345
Current Assets	$ 9,869,761	$ 9,947,874
# Fixed assets	2,356,847	1,409,941
Other assets	390,280	272,805
Total Assets	$ 12,616,888	$ 11,630,620

Liabilities

Notes payable	$ 1,000,000	$ 250,000
Long-term debt, curr.	212,804	340,434
Accts. payable	4,001,108	4,019,920
Accruals	216,456	383,441
Income taxes	3,578	13,731
Other taxes	111,787	69,014
Curr. Liabilities	$ 5,545,733	$ 5,076,540
Long-term debt	1,576,242	1,220,514
Deferred inc. taxes	69,707	42,323
+ Common stock	65,546	65,516
Add. paid-in capital	188,325	187,642
Retained earnings	5,171,335	5,038,085
Total Liabilities & Shareholders' Equity	$ 12,616,888	$ 11,630,620

* At lower of cost (FIFO) or market using the retail method.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.43	0.50
%Net Income to Sales	0.40	0.35

%Net Income to Equity	2.46	2.34
Sales to Inventories	3.66	4.10
Working Capital	$ 4,324,028	$ 4,871,334
Current Ratio	1.78	1.96
Shareholders' Equity	$ 5,425,206	$ 5,291,243

National Shoes, Inc.

65 Sprague Street
Readville, Massachusetts 02137
(617) 364-3000

Officers: Fred K. Siegel, chairman of the board; Sherman N. Baker, president & chief executive officer; Walter Feldesman, secretary; Robert M. Becker, v.p. & president-J. Baker Inc.; Lawrence Geller, v.p. & exec. v.p.-J. Baker, Inc.; Norman Goldman, v.p., & dir. of security & loss prevention; Irving Scherline, v.p.-store operations; Kenneth Siegel, v.p.-store administration; Alan Weinstein, v.p.-admin., treasurer & asst. secretary; Paul Rosenberg, v.p. & pres., Nat'l Stores Div.; Paul Douillette, v.p. & gen. merch. mgr., J. Baker, Inc.; Robert Schoen, v.p.-real estate; Philip Rosenberg, corp. controller.

Directors: Fred K. Siegel, chairman, Sherman N. Baker, Louis Fried, Mac M. Siegel, Milton F. Lewis, Stanley Simon, Walter Feldesman.

Business Activities: Operates a chain of shoe stores under the names National Shores, A.S. Beck, Joffrey Stores, Mary Jane, Grandstand and Delton. Also operates both fitted and self-service leased shoe departments in discount stores in the east and midwest (J. Baker Leased Departments) and in conventional and promotional department stores located in Baltimore and metropolitan New York.

Divisions & Subsidiaries:

National Stores Division
Leased Departments Division
Delton Division
Grand Stand Stores
Joffrey Stores
A.S. Beck Stores

All at:
65 Sprague Street
Readville, Massachusetts 02137
(617) 364-3000

J. Baker, Inc.
P.O. Box 231
Hyde Park, Massachusetts 02136
(617) 364-3000

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NSHO (NASDAQ)

Number of Retail Units: (at fiscal year end)

1979	433	1977	482
1978	436	1976	435

Sales and Earnings

	Net Sales	Net Income +
1980	$104,528,718	$ (199,411)
1979*	102,979,249	(926,220)
1978	106,645,160	1,026,362
1977	104,737,383	1,267,957
1976	97,858,441	757,912

	No. of Com. Shares	Earn. per Share + #
1980	1,575,139	$ —
1979*	1,515,020	—
1978	1,457,223	0.65
1977	1,401,657	0.73
1976	1,531,002	0.43

( ) Loss

* 53 weeks.

+ Including extraordinary gains of $1,230 in 1978, $9,883 in 1977, $38,456 ($0.02 per share) in 1976.

# Based on weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	4%	—
1979	—	4%	—
1978	—	4%	—
1977	—	4%	—
1976	—	4%	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 21,201,253	$13.46
1979	21,402,833	14.13
1978	22,331,513	15.32
1977	21,307,903	15.20
1976	20,681,410	13.51

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$104,528,718	$102,979,249
Cost of sales	59,319,813	60,133,965
Expenses	40,423,125	39,474,835
Depreciation & amortization	2,804,457	2,909,975
Interest expense	1,642,527	1,356,462
Moving costs	315,451	—
Income (loss) before taxes	$ 23,345	$ (895,988)
Income taxes	222,756	30,232
Net Loss	$ (199,411)	$ (926,220)

Assets

As of	2/2/80	2/3/79 ‡
Cash	$ 1,184,955	$ 1,079,568
Accts. receiv., net	2,879,209	2,305,275
Refundable taxes	613,547	699,679
* Inventories	26,677,922	22,663,211
Prepaid expenses	956,445	1,127,780
Current Assets	$ 32,312,078	$ 27,875,513
# Fixed assets	15,038,561	13,775,028
Prop. under cap. leases	607,376	1,126,538
Other assets	4,138,988	3,189,632
Total Assets	$ 52,097,003	$ 45,966,711

Liabilities

Notes payable	$ 4,750,000	$ 2,500,000
Long-term debt, curr.	136,250	488,799
Cap. lease oblig. curr.	136,250	380,504
Accts. payable	13,695,129	10,279,511
Accruals	2,615,233	3,411,861
Income taxes	38,614	32,206
Security & rent deposits	111,034	91,275
Curr. Liabilities	$ 21,937,665	$ 17,184,156
Long-term debt	7,462,604	5,413,310
Cap. lease oblig.	805,680	1,276,611
Deferred inc. taxes	180,293	180,293
Deferred credit	509,508	509,508
\+ Common stock	1,794,687	1,734,568
Add. paid-in capital	9,626,558	9,416,141
Retained earnings	10,751,018	11,223,134
Treasury stock	(971,010)	(971,010)
Total Liabilities & Shareholders' Equity	$ 52,097,003	$ 45,966,711

‡ Restated to conform with 1980 presentation.

* At lower of cost (principally by retail method) or market.

# Less accumulated depreciation & amortization.

+ $1 par value.

Statistical Summary

Sales to Inventories	3.92	4.54
Working Capital	$ 10,374,413	$ 10,691,357
Current Ratio	1.47	1.62
Shareholders' Equity	$ 21,201,253	$ 21,402,833

National Tea Co.

(84% owned by Loblaw Companies Limited)

9701 West Higgins Road
Rosemont, Illinois 60018
(312) 693-5100

Officers: Valdyn W. Schulz, president, Sheldon V. Durtsche, sr. v.p.-finance; Joel W. Raffenbeul, sr. v.p.-marketing & personnel; Timothy W. Barrett, sr. v.p.-real estate, construction & planning; Alvin F. Cross, Barney A. Kayne, William F. Walker, John R. Williams, senior v.p.'s & div. mgrs.; vice presidents: Daniel Costello-labor relations, Marvin E. Cross-produce, John Y. Loper-construction, Eugene J. Ehrhardt-real estate, Russell W. Bechler-grocery merchandising, Arthur F. Smith-meat operations & processing; Bennett I. Berman, v.p., chief counsel & secretary; Edmund J. Gorczyca-treasurer & asst. secretary; John F. Meersman, asst. v.p. & asst. secretary; Sidney Applebaum, Samuel Singer, v.p.'s.

Directors: W. Struan Robertson, George C. Metcalf, W. Galen Weston, Richard J. Currie, Sheldon V. Durtsche, Hugo Mann, Valdyn W. Schulz, David A. Nichol.

Business Activities: Operates four major distribution facilities and approximately 214 supermarkets located in 10 states.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: NTY

Number of Stores: (at fiscal year end)

1979	236	1976	215
1978	214	1975	450
1977	216		

Sales and Earnings

	Net Sales	Net Income +
1979	$1,045,695,530	$ 13,133,000
1978	918,634,591	12,102,000
1977	835,604,312	11,069,000
1976	1,397,208,133	(40,574,000)
1975*	1,472,340,793	(6,323,000)

	No. of Com. Shares	Earn. per Share +
1979	10,000,000	$1.31
1978	10,000,000	1.21
1977	10,000,000	1.11
1976	10,000,000	—
1975	10,000,000	—

( ) Loss

+ Including extraordinary gains of $5,141,000 ($0.51 per share) in 1979, $4,789,000 ($0.48 per share) in 1978 and $4,629,000 ($0.46 per share) in 1977.

* 53 weeks.

National Tea Co.

Common Stock Equity †

	Total Equity	Equity Per Share
1979	$ 75,664,777	$7.57
1978	62,531,813	6.25
1977	50,429,910	5.04

† Restated to reflect change in accounting method.

Income Account*

Year ended	12/29/79	12/30/78
net sales	$1,045,695,530	$918,634,591
Cost of sales	865,921,531	759,126,222
Expenses	158,958,159	141,452,167
Interest expense	6,750,876	4,966,299
Income taxes	6,073,000	5,777,000
Net Income	$ 7,991,964	$ 7,312,903
Extraord. gain	5,141,000	4,789,000
Net Income & extraord. gain	$ 13,132,964	$ 12,101,903

* Included in Costs and Expenses, Depreciation and Amortization: $15,509,485 in 1979 and $12,402,587 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 3,688,556	$ 3,341,953
Accts. receiv., net	6,339,567	3,797,998
*Inventories	72,919,697	58,970,998
Prepaid expenses	4,607,666	4,669,775
Real est. for sale	13,221,089	10,647,980
Current Assets	$100,776,575	$ 81,427,825
≠Fixed assets	85,181,607	63,794,809
Other assets	11,462,278	12,535,395
Cap. lease	50,293,770	38,176,376
Cost of subsid. in excess bk. val.	3,463,856	825,411
Total Assets	$251,178,086	$196,759,816

Liabilities

	12/29/79	12/30/78
Construction loans	$ —	$ 1,677,783
Long-term debt, curr.	2,313,000	1,971,217
Accts. payable	56,879,208	44,583,966
Cap. lease oblig.	4,897,030	3,836,071
Accruals	15,203,736	11,944,063
Income taxes	3,237,685	3,008,906
Curr. Liabilities	$ 82,530,659	$ 67,022,006
Long-term debt	30,000,000	17,313,000
Other liabilities	11,162,620	10,168,264
Cap. lease oblig.	51,820,030	39,724,733
+Common stock	40,000,000	40,000,000
Add. paid-in capital	33,842,150	33,842,150
Retained earnings (deficit)	1,822,627	(11,310,337)
Total Liabilities & Shareholders' Equity	$251,178,086	$196,759,816

* At lower of cost (average or retail method) or market.
≠ Less accumulated depreciation.
+ $4 par value.

Statistical Summary

%Net Income to Sales	0.76	0.80
%Net Income to Equity	10.56	11.69
Sales to Inventories	14.34	15.58
Working Capital	$ 18,245,916	$ 14,405,819
Current Ratio	1.22	1.21
Shareholders' Equity	$ 75,664,777	$ 62,531,813

New Process Company

220 Hickory Street
Warren, Pennsylvania 16366
(814) 723-3600

Officers: John L. Blair, president; Alan J. Blair, exec. vice president; Robert W. Blair, vice president and secretary; Giles W. Schutte, vice president & treasurer; vice presidents: Steven M. Blair- order handling, John J. Tassone-men's merchandise, John H. Carter-merch. handling, Murray K. McComas- advertising, John J. Smith-planning, Michael J. Samargya-data processing, Robert B. Dietsch, women's merch. & asst. secretary; asst. v.p.'s. Richard F. Kerven-mailing, M. Richard Danielson-data processing, C. Wayne Kipple, home furnishings, Carl H. Nelson, merchandise handling, Blair T. Smoulder-planning, Robert D. Crowley-men's merchandise, John E. Zawacki-women's merchandise; Kent R. Sivillo, asst. treasurer.

Directors: John L. Blair, Alan J. Blair, Robert W. Blair, John J. Smith, Robert B. Dietsch, Giles W. Schutte, Michael J. Samargya, John H. Carter, Murray K. McComas.

Business Activities: Mail order house. Sells men's and women's apparel, plus a broad range of home furnishings, primarily by mail. Its facilities are located in the Warren, Pennsylvania area where all functions of advertising preparation, mailing, order handling and shipping are performed.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: NOZ

Sales and Earnings

	Net Sales	Net Income
1979	$226,127,170	$ 9,366,048
1978	213,103,105	8,691,665
1977	193,287,571	8,119,724
1976	196,570,653	10,448,402
1975	174,967,808	11,327,052

	No. of Com. Shares	Earn. per Share
1979	9,692,760	$0.96
1978	9,796,960	0.89
1977	9,824,210	0.83
1976	9,808,210	1.06
1975	9,865,810	1.14

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	—	—
1978	0.55	—	—
1977	0.50	—	—
1976	0.63	—	—
1975	0.75	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 48,389,499	$4.99
1978	45,616,530	4.66
1977	42,445,790	4.32
1976	39,104,423	3.99
1975	35,793,083	3.63

Income Account *

Year ended Dec. 31	1979	1978
Net sale	$226,127,170	$213,103,105
Other income	2,041,904	1,346,941
Total Income	$228,169,074	$214,450,046
Cost of sales	117,892,445	112,316,831
Expenses	84,240,364	76,719,220
Prov. for doubtful accts.	7,293,217	6,961,330
Income before taxes	$ 18,743,048	$ 18,452,665
Income taxes	9,377,000	9,761,000
Net Income	$ 9,366,048	$ 8,691,665

* Included in Costs and Expenses, Depreciation: $1,140,520 in 1979 and $1,112,866 in 1978.

Assets

As of Dec. 31	1979	1978
Cash & short-term invest.	$ 16,595,496	$ 6,492,090
Accts. receiv., net	10,975,888	12,058,350
* Inventories	21,430,451	30,678,090
Deferred inc. taxes	1,308,000	1,362,000
Prepaid expenses	180,103	236,966
Current Assets	$ 50,489,938	$ 50,827,496
≠ Fixed assets	13,312,216	10,788,019
Total Assets	$ 63,802,154	$ 61,615,515

Liabilities

	1979	1978
Accts. payable	$ 8,418,198	$ 8,820,897
Accruals	1,905,499	1,693,237
Dividends payable	2,907,828	2,449,240
Income taxes	2,181,130	3,035,611
Curr. Liabilities	$ 15,412,655	$ 15,998,985
+ Common stock	419,810	419,810
Add. paid-in capital	1,254,273	1,233,050
Retained earnings	50,187,279	46,642,305
Treasury stock	(3,471,863)	(2,678,635)
Total Liabilities & Shareholders' Equity	$ 63,802,154	$ 61,615,515

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.29	8.66
%Net Income to Sales	4.14	4.08
%Net Income to Equity	19.36	19.05
Sales to Inventories	10.55	6.95
Working Capital	$ 35,077,283	$ 34,828,511
Current Ratio	3.28	3.18
Shareholders' Equity	$ 48,389,499	$ 45,616,530

Niagara Frontier Services, Inc.

60 Dingens Street
Buffalo, New York 14206
(716) 823-3712

Officers: Armand J. Castellani, chairman of the board & chief exec. officer; Savino P. Nanula, president & chief operating officer; Michael C. Geraci, John S. DiMiceli, sr. v.p.'s; Thomas J. Shanahan, sr. v.p. & secretary; Anthony B. Buscaglia, James Strasburg, Louis J. Terragnoli, Lawrence P. Castellani, Robert J. Castellani, Paul D. Bauer, vice presidents; Felix F. Gramza, treasurer.

Directors: Armand J. Castellani, Savino P. Nanula, John N. Walsh, Jr., Leonard Rochwarger, Warren B. Cutting.

Business Activities: Operates and franchises retail food stores which use the names TOPS super markets, B-Kwik food stores, and Wilson Farms convenience food stores; wholesales meat, produce, bakery products, dairy products, groceries, non-food items and food store supplies; operates restaurants specializing in Italian foods.

Divisions & Subsidiaries:

B-Kwik Food Stores
Ferrante's Restaurants
G & G Sales & Service of W.N.Y. Inc.
NFS Agency Corporation
Niassociates, Inc.
T.A. Buscaglia Co., Inc.
TOPS Friendly Markets
Wilson Farms Convenience Food Stores
J.G. Pieri Company

All at:
60 Dingens Street
Buffalo, New York 14206
(716) 823-7312

Transfer Agent(s):

Marine Midland Bank-New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: NFS

Number of Retail Outlets*: (at fiscal year end)

1979	105	1976	90
1978	100	1975	82
1977	95		

* Includes both franchised and company-owned stores.

Sales and Earnings ×

	Net Sales †	Net Income
1979*	$464,138,829	$ 8,688,857
1978	400,289,986	7,681,572
1977	353,091,770	7,020,516
1976	296,701,291	6,226,140
1975	222,258,049	5,055,438

	No. of Com. Shares	Earn. per Share ‡
1979	2,090,620	$4.05
1978	2,131,758	3.51
1977	2,170,003	3.18
1976	2,221,608	2.81
1975	2,198,158	2.27

× Restated to reflect capitalization of leases.
* 53 weeks.
† Includes operating revenues.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.80	—	—
1978	0.70	—	—
1977	0.56	—	—
1976	0.44	—	—
1975	0.33	—	—

Common Stock Equity‡

	Total Equity	Equity Per Share
1979	$ 43,242,288	$20.68
1978	37,085,696	17.40
1977	31,645,648	14.58
1976	26,627,963	11.99
1975	21,243,634	9.66

‡ Restated to reflect capitalization of leases.

Income Account

Year Ended	6/30/79 (53 weeks)	6/24/78†
Net sales & oper. revenues	$464,138,829	$400,289,986
Cost of sales & oper. expense	404,785,769	345,807,410
Other expenses	35,540,109	33,169,799
Depreciation	4,662,929	4,110,196
Oper. profit	$ 19,150,022	$ 17,202,581
Other expense	1,762,261	1,828,938
Income before taxes	$ 17,387,761	$ 15,373,643
Income taxes	8,698,904	7,692,071
Net Income	$ 8,688,857	$ 7,681,572

† Restated to reflect capitalization of leases.

Assets

As of	6/30/79	6/24/78†
Cash	$ 10,311,796	$ 8,875,686
Accts. receiv., net	8,223,799	6,687,332
* Inventories	25,412,463	18,866,596
Costs in excess of contract billings	1,088,873	584,606
Prepaid expenses	447,393	582,681
Current Assets	$ 45,484,324	$ 35,596,901
Investment property	2,427,744	2,802,404
# Fixed assets	53,573,717	50,604,712
Other assets	12,040,227	12,276,641
Total Assets	$113,526,012	$ 101,280,658

Liabilities

Long-term debt, curr.	$ 149,599	$ 96,659
Capital lease oblig., curr.	1,196,161	1,079,362
Accts. payable	21,301,422	16,008,633
Accruals	2,912,478	2,870,736
Dividends payable	418,244	373,953
Income taxes	1,959,912	1,975,593
Curr. Liabilities	$ 27,937,816	$ 22,404,936
Long-term debt	3,399,573	3,488,234
Deferred income	616,149	677,733
Deferred inc. taxes	634,926	941,457
+ Common stock	2,512,248	2,512,248
Add. paid-in capital	5,286,831	5,275,490
Retained earnings	40,025,111	33,016,382
Treasury stock	(4,581,902)	(3,718,424)
Total Liabilities & Shareholders' Equity	$113,526,012	$101,280,658

† Restated to reflect capitalization of leases.
* 77% of inventories at LIFO cost (70% in 1978); remainder at lower of cost (FIFO or retail method) or market replacement.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	3.75	3.84
%Net Income to Sales & Rev.	1.87	1.92
%Net Income to Equity	20.09	20.71
Working Capital	$ 17,546,508	$ 13,191,965
Current Ratio	1.63	1.59
Shareholders' Equity	$ 43,242,288	$ 37,085,696

S. E. Nichols Inc.

500 Eighth Avenue
New York, New York 10018
(212) 695-5120

Officers: Irving M. Rosenbaum, chairman of the board; Manfred Brecker, president; Joseph Keller, exec. v.p.-operations; Erich Metzger, exec. v.p.-merchandising & secretary; Irwin Hochberg, exec. v.p.-finance & treasurer; Gerald Lenowitz, Louis Schwartz, second vice presidents.

Directors: Irving M. Rosenbaum, chairman; Manfred Brecker, Joseph Keller, Erich Metzger, Donald H. Wheeler, Melvin Katz, Sigmund Wahrsager, Irwin Hochberg.

Business Activities: Operates a chain of discount department stores under the name "Nichols Discount City" in New York, Pennsylvania, New Jersey, Maryland, Virginia, South Carolina, Delaware, West Virginia, North Carolina and Ohio. The Company's stores operate under the name "Nichols Discount City."

Transfer Agent(s):

Mellon Bank N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): American

Ticker Symbol: NCL

Number of Stores: (at fiscal year end)

1980	43	1977	40
1979	41	1976	39
1978	41		

Sales and Earnings

	Net Sales	Net Income
1980	$211,937,520	$ 3,540,050
1979	210,524,182	3,121,474
1978	197,602,705	2,265,065
1977	190,430,976	3,056,025
1976	183,006,980	1,908,573

	No. of Com. Shares†	Earn. per Share †
1980	3,474,377	$1.02
1979	3,456,090	0.90
1978	2,265,065	0.66
1977	3,056,025	0.89
1976	1,908,573	0.56

† Based on the weighted average numberof shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.03	10%	—
1979	0.02	10%	—
1978	—	10%	—
1977	—	10%	—

Common Stock Equity†

	Total Equity	Equity Per Share‡
1980	$ 23,180,495	$6.67
1979	19,650,347	5.69
1978	16,523,494	7.29
1977	14,238,468	4.66

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$211,937,520	$210,524,182
Other income	5,188,947	3,871,909
Total income	$217,126,467	$214,396,091
Cost of sales	158,823,509	160,729,073
Expenses	48,552,225	45,266,521
Interest expense	2,499,335	2,229,813
Income before taxes	$ 7,251,398	$ 6,170,684
Income taxes	3,711,348	3,049,210
Net Income	$ 3,540,050	$ 3,121,474

* Included in Costs and Expenses, Depreciation: $1,946,445 in 1979 and $1,840,015 in 1978.

Assets

As of Jan. 31	1980	1979
Cash	$ 8,480,840	$ 9,479,664
Receiv., net	1,917,868	1,490,263
*Inventories	46,047,133	43,689,771
Prepaid expenses	1,154,838	1,197,152
Current Assets	$ 57,600,679	$ 55,856,850
#Fixed assets	12,179,508	10,199,029
Other assets	2,114,954	1,261,421
Total Assets	$ 71,895,241	$ 67,317,300

S. E. Nichols Inc.

Liabilities

Long-term debt, curr.	$ 1,715,438	$ 1,741,807
Cap. lease oblig., curr.	1,376,043	1,387,336
Accts. payable	21,201,510	19,918,035
Accruals	4,065,000	4,192,956
Income taxes	1,893,983	1,546,307
Curr. Liabilities	$ 30,251,974	$ 28,786,441
Long-term debt	13,495,389	13,376,583
Cap. lease oblig.	4,967,283	5,503,929
+Common stock	348,026	286,526
Add. paid-in capital	7,384,553	4,781,550
Retained earnings	15,447,916	14,582,271
Total Liabilities & Shareholders' Equity	$ 71,895,141	$ 67,317,300

* At lower of cost or market, by the retail method.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.42	2.93
%Net Income to Sales	1.67	1.48
%Net Income to Equity	15.27	15.89
Sales to Inventories	4.60	4.82
Working Capital	$ 27,348,705	$ 27,070,409
Current Ratio	1.90	1.94
Shareholders' Equity	$ 23,180,495	$ 19,650,347

Nordstrom, Inc.

1501 Fifth Avenue
Seattle, Washington 98101
(206) 628-2111

Officers: Bruce A. Nordstrom, John N. Nordstrom, co-chairmen of the board; James F. Nordstrom, president; John A. McMillan, exec. v.p.; Robert E. Bender, sr. v.p.; Houston L. Hartley, Norman J. Sadis, Barden Erickson, Raymond A. Johnson, R. Gary Baughn, Paul Hunter, vice presidents; Karen E. Purpur, asst. secretary.

Directors: Bruce A. Nordstrom, John N. Nordstrom, John A. McMillan, James F. Nordstrom, Robert E. Bender, D. Wayne Gittinger, William D. Ruckelshaus, John F. Harrigan, Malcolm T. Stamper, Elizabeth Crownhart Vaughan.

Business Activities: Operates a chain of specialty stores located in Washington, Oregon, Alaska, California and Montana, and shoe stores located in Oregon. Leased shoe departments are operated in Hawaii.

Transfer Agent(s):

United California Bank

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NOBE (NASDAQ)

Number of Stores: (at fiscal year end)

	Specialty Stores	Shoe Stores	Leased Shoe Depts.
1980	28	1	30
1979	22	2	30
1978	22	2	30
1977	18	2	31
1976	15	2	29

Sales and Earnings

	Net Sales	Net Income
1980	$346,269,000	$ 16,419,000
1979	297,629,000	13,667,000
1978	249,690,000	11,697,000
1977	209,882,000	9,846,000
1976	179,229,000	6,950,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	8,218,018	$2.00
1979	7,579,482	1.80
1978	7,318,170	1.60
1977	7,123,662	1.38
1976	6,418,170	1.08

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.30	50%	—
1978	0.24	—	—
1977	0.19	—	
1976	0.15	—	2-for-1‡

† Adjusted to reflect stock dividend and stock split.
‡ Payable March 1976 in the form of 100% stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$111,059,000	$13.51
1979	97,230,000	11.83
1978	67,618,000	9.24
1977	57,677,000	7.88
1976	39,620,000	6.17

Income Account*
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 346,269	$ 297,629
Cost of sales	229,005	197,594
Expenses	84,214	70,380
Interest expense	3,981	3,343
Income before taxes	$ 29,069	$ 26,312
Income taxes	12,650	12,645
Net Income	$ 16,419	$ 13,667

* Included in Costs and Expenses, Depreciation & Amortization: $7,673,000 in 1980 and $6,285,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 3,399	$ 80,000
Short-term invest.	—	11,025
Accts. & notes receiv., net	67,619	56,599
*Inventories	59,240	45,200
Prepaid expenses & other assets	1,859	1,664
Current Assets	$ 132,117	$ 114,568
#Fixed assets	98,060	66,382
Total Assets	$ 230,177	$ 180,950

Liabilities
(000's)

Long-term debt, curr.	$ 2,082	$ 1,511
Accts. payable	26,244	22,146
Accruals	2,050	1,452
Accrued payroll and taxes	10,763	9,181
Income taxes	11,309	9,689
Curr. Liabilities	$ 52,448	$ 43,979
Long-term debt	36,280	13,367
Obligations under cap. leases	30,390	26,374
+Common stock	7,535	7,535
Add. paid-in capital	27,641	27,601
Retained earnings	75,883	62,094
Total Liabilities & Shareholders' Equity	$ 230,177	$ 180,950

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.39	8.84
%Net Income to Sales	4.47	4.59
%Net Income to Equity	14.78	14.06
Sales to Inventories	5.85	6.58
Working Capital	$ 79,669,000	$ 70,589,000
Current Ratio	2.52	2.61
Shareholders' Equity	$111,059,000	$ 97,230,000

Optel Corporation

9 Mear Road
Holbrook, Massachusetts 02343
(617) 767-0700

Officers: Hyman L. Moore, chairman of the board; Richard M. Tasso, executive vice president; Jerald K. Rome, v.p.-Wholesale Division; Edward H. Sussman, v.p.-sales & merchandising, Retail Division; Herbert M. Walter, v.p.-operations, Wholesale Division; Alan L. Feir, controller; Joseph Greenberger, secretary; James Pollock, asst. secretary; James M. Raker, treasurer-asst. secretary; Maurice Andrade, asst. secretary.

Directors: Hershner Cross, Lester Dembitzer, Gerald Grosof, Steven Kotler, Hyman L. Moore, Jerald K. Rome, Bruce Slovin, Peter Sutro, Richard M. Tasso, Wilmer J. Thomas, Jr., Renato Valente.

Business Activities: Operates a chain of discount stores featuring health and beauty aids and household items such as film, tobacco, toys, candy, stationery, books, greeting cards, hardware and general merchandise. Stores are located in downtown, business-oriented areas and in suburban shopping centers in New England and Mid-Atlantic states. Also operates the H.L. Moore Drug Exchange, a national wholesaler of pharmaceuticals, cosmetics, medical supplies and generic drugs to retail outlets, physicians and institutions.

Divisions:

Retail Division

Comprised of 121 Big L discount centers, 17 Leased Departments and 22 Mall Drugs stores, totaling 160 units and featuring a complete line of health and beauty aids along with a wide variety of name-brand household items.

Wholesale Division

The H.L. Moore Drug Exchange, a national mail order wholesale drug distributing firm, services drug stores, physicians, health and beauty outlets, infirmaries, schools, hospitals and nursing clinics throughout the U.S. and its territories with a complete line of pharmaceuticals, cosmetics, drug sundries, physicians' supplies and generic drugs.

Acquisition(s):

Levitt Industries, Incorporated (June 30, 1978)
9 Mear Road
Holbrook, Massachusetts 02343

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: OPEL (NASDAQ)

Number of Retail Division Outlets:

1979	160	1978	168

Sales and Earnings

	Net Sales ‡	Net Income †
1979	$104,062,000	$ 2,277,000
1978	48,972,000	1,856,000

	No. of Com. Shares	Earn. per Share † +
1979	6,356,000	$0.26
1978	6,283,000	0.24

‡ Of continuing operations only.
† Including extraordinary gains of $1,046,000 ($0.12 per share) in 1979 and $1,267,000 ($0.16 per share) in 1978.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Retail	$ 52,483	$ 25,993
Wholesale	51,579	22,979
Total	$ 104,062	$ 48,972

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$ 3,709,000	$0.58

‡ After allowing for preferred stock at redemption value.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 104,062	$ 48,972
Cost of sales	80,307	37,692
Expenses	19,070	8,384
Interest expenses	2,198	1,063
Income before taxes	$ 2,487	$ 1,833
Income taxes	1,256	960
Income from cont. oper.	$ 1,231	$ 873
Loss from discont. oper.		(284)
Net Income	$ 1,231	$ 589
Extraord. gain	1,046	1,267
Net Income & Extraord. gain	$ 2,277	$ 1,856

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 2,302	$ 1,811
Accts. receiv., net	3,690	2,746
*Inventories	22,093	20,056
Prepaid expenses	248	338
Current Assets	$ 28,333	$ 24,951
# Fixed assets	3,140	2,507
Other assets	635	730
Total Assets	$ 32,108	$ 28,188

Liabilities
(000's)

	1979	1978
Notes payable	$ 2,000	$ 1,000
Long-term debt, curr.	1,500	1,500
Accts. payable	7,365	4,859
Accruals	1,504	1,461
Taxes	403	809
Curr. Liabilities	$ 12,772	$ 9,629
Long-term debt	15,370	16,870
+ + + Common stock subj. to redemp.	222	222
Preferred stock:		
+ Class A	22	22
+ + Class B		233
+ + + Common stock	64	63
Add. paid-in capital	20,753	20,521
Deficit	(17,095)	(19,372)
Total Liabilities & Shareholders' Equity	$ 32,108	$ 28,188

* At lower of cost (principally average) or market.
# Less accumulated depreciation and amortization.
+ $5 par value.
+ + $10 par value.
+ + + $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.39	
%Net Income to Sales	1.18	
%Net Income to Equity	32.88	40.15
Sales to Inventories	4.71	2.44
Working Capital	$ 15,561,000	$ 15,322,000
Current Ratio	2.22	2.59
Shareholders' Equity	$ 3,744,000	$ 1,467,000

The Oshawa Group Limited

302 The East Mall
Islington, Ontario, Canada M9B 6B8
(416) 236-1971

Officers: Max Wolfe, honorary chairman of the board; Ray D. Wolfe, chairman of the board & president; Philip F. Connell, sr. v.p. & chief financial officer; William L. Atkinson, group v.p.-general merchandise; Jack B. Wolfe, group v.p. -institutional food; Allister P. Graham, group v.p.-food divisions; Sam Crystal, v.p. -public affairs; Matilda Manojlov, v.p.-profit improvement; Murray C. Goldman, v.p. -development; Charles Comrie, v.p. -personnel; E. Leonard Besler, controller; Leonard Eisen, treasurer; Harold J. Wolfe, secretary & general counsel.

Directors: William L. Atkinson, Murray C. Goldman, Albert Shifrin, Charles Perrault, Arthur J. R. Smith, Harold J. Wolfe, Harvey S. Wolfe, Philip F. Connell, Ray D. Wolfe, Jack B. Wolfe.

Business Activities: Canadian food supplier through retail outlets in Ontario, Quebec, the Atlantic provinces, Manitoba and Saskatchewan. These comprise franchise markets (including IGA markets) as well as company-owned food markets (Food City Markets, Bonimart stores). Also a food wholesaler (Codville Distributors in Manitoba, Saskatchewan and Northwestern Ontario; Ontario Food Division in Ontario; Hudon et Deaudelin Limitee in Quebec and Bolands in the Atlantic Provinces) and food supplier to institutional customers (Hickeson-Langs Supply Company; The Ontario Produce Company and Dominion Mushroom Company). Operates Towers Discount Department Stores in Ontario and the Atlantic Provinces and Bonimart Discount Department Stores in Quebec. Kent Drugs Limited, a subsidiary, operates Drug City Discount Marts, pharmacies in Towers Department Stores and health and beauty aid outlets in Ontario. The Automotive Services Division operates gas stations in Ontario; the Restaurant Division operates restaurants, cafeterias, snack bars and fast-food kiosks in Ontario, Quebec and Nova Scotia; also operates real estate subsidiaries; has a 50% interest in Moccomat Beverage, Beverage Systems Ltd. which sells coffee concentrate and leases dispensers.

Divisions & Subsidiaries:

Bolands
Codville Distributors
Dominion Mushroom Company
Les Aliments Hypermarche
Ontario Food Division
Kent Drugs Limited
Convenience Stores and Gas Bars
Langs Cold Storage
The Ontario Produce Company
Ontario Food Division
Restaurants Division
Towers Department Stores
Hudon et Deaudelin Limitee
Model Laundry
Dutch Boy Food Markets
Hickeson-Langs Supply Company
Bradford Packing Centre
The White & Company
Moccomat Beverage Systems Limited (50% owned)
Moccomat Carribean Limited (50% owned)

Transfer Agent(s):

The Canada Trust Company
Toronto, Montreal, Calgary, Vancouver and Regina

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: OSH

Number of Stores: (at fiscal year end)

	Franchise Food Markets	Co-owned Food Markets	Dept. Stores
1980	929	92	45
1979	920	96	45
1978	949	92	45
1977	960	90	41
1976	925	89	39

	Pharmacies	Drug Marts	Health & Beauty Aid Stores
1980	22	20	5
1979	24	15	5
1978	24	14	6
1977	25	14	6
1976	25	12	8

	Restaurants
1980	75
1979	70
1978	69
1977	74
1976	74

Sales and Earnings

	Net Sales	Net Income #
1980	$1,475,663,000	$ 10,105,000
1979	1,336,784,000	10,283,000
1978*	1,205,805,000	8,874,000
1977	1,077,575,000	2,957,000
1976	1,023,857,000	6,685,000

	No. of Com. Shares +	Earn. per Share # ‡
1980	6,749,904	$1.50
1979	6,749,904	1.52
1978*	6,749,904	1.31
1977	6,749,904	0.44
1976	6,749,904	0.99

* 53 weeks.
‡ Based on weighted average Class A and common shares combined outstanding.
+ Class A and common shares combined outstanding.
# Including extraordinary gains of $1,648,000 ($0.25 per share) in 1980, $2,517,000 ($0.37 per share) in 1979, $3,641,000 ($0.54 per share) in 1978, $379,000 ($0.05 per share) in 1977 and $229,000 ($0.03 per share) in 1976.

Revenues By Line of Business
(000's)

	1980	1979
Wholesale food	$ 681,482	$ 600,834
Retail food	406,650	375,222
Institutional food	85,294	78,703
General merchandise	302,237	269,860
Other	—	12,165
Total	$ 1,475,663	$ 1,336,784

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.42	—	—
1979	0.34	—	—

The Oshawa Group Limited

1978	0.34	—	—
1977	0.34	—	—
1976	0.34	—	—

‡ Class A and common shares combined.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$101,107,000	$14.98
1979	94,614,000	14.02
1978	86,626,000	12.83
1977	81,799,000	12.12
1976	80,397,000	11.91

‡ Based on weighted average number of combined Class A and common shares outstanding.

Income Account
(000's)

Year ended	1/26/80	1/27/79 (53 weeks)
Net sales	$ 1,475,663	$ 1,336,784
Cost of sales & expenses	1,441,421	1,303,895
Depreciation	9,801	10,441
Interest expense	13,337	11,804
Int. & dividends earned	1,665	1,860
Income before taxes	$ 12,769	$ 12,504
Income taxes	4,558	4,801
Minority interest	(246)	(63)
Net Income	$ 8,457	$ 7,766
Extraord. gain	1,648	2,517
Net Income & extraord. gain	$ 10,105	$ 10,283

Assets
(000's)

As of	1/26/80	1/27/79
Cash & marketable sec.	$ 2,196	$ 3,432
Loans & mortg. receiv.	2,541	2,616
Accts. receiv., net	43,657	40,763
Real estate held for sale	1,581	2,053
*Inventories	117,833	107,154
Prepaid expenses	351	5,239
Current Assets	$ 172,159	$ 161,257
Investments	2,974	2,219
#Fixed assets	130,185	119,410
Loans & mortg. receiv.	4,110	4,355
Other assets	537	684
Total Assets	$ 309,965	$ 287,925

Liabilities
(000's)

	1/26/80	1/27/79
Bank indebtedness & notes payable	$ 23,806	$ 26,197
Long-term debt, curr.	2,368	2,751
Accts. payable & accruals	92,823	84,648
Deferred inc. taxes	1,099	2,181
Income taxes	5,141	464
Dividends payable	776	
Curr. Liabilities	$ 126,013	$ 116,241
Long-term deb	80,216	75,157
Deferred inc. taxes	2,629	1,913
+Common stock	44	44
+Class A stock	59,033	59,033
Add. paid-in capital	919	919
Retained earnings	41,111	34,618
Total Liabilities & Shareholders' Equity	$ 309,965	$ 287,925

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.87	0.94
%Net Income to Sales	0.57	0.58
%Net Income to Equity	8.36	8.21
Sales to Inventories	12.52	12.48
Working Capital	$ 46,146,000	$ 45,016,000
Current Ratio	1.37	1.39
Shareholders' Equity	$101,107,000	$ 94,614,000

Oshman's Sporting Goods, Inc.

2302 Maxwell Lane
Houston, Texas 77023
(713) 928-3171

Officers: Jeanette Oshman Efron, chairman of the board; Alvin N. Lubetkin, vice chairman of the board, chief exec. officer & chairman of the exec. comm.; Marvin Aronowitz, president & chief operating officer; Fred M. Gerson, Joe D. Nanny, Charles Rosemond, v.p.'s; Richard L. Bockart, v.p. & treasurer; Brady G. Elliott, secretary.

Directors: Jeanette Oshman Efron, chairman; Alvin N. Lubetkin*, Marvin Aronowitz*, Fred M. Gerson*, Richard L. Bockart*, I. Mark Westheimer, H.M. Sevdler, Paul Stoffel, John P. Agnew*, Judy O. Margolis, Marilyn O. Lubetkin.

* Member of Executive Committee.

Business Activities: Operates a chain of sporting goods stores in Texas, Georgia, Arizona, California, Alabama, Tennessee, Louisiana, and Florida. Stores operate under the name Oshman's. Also operates one Abercrombie & Fitch store in Beverly Hills, California.

Transfer Agent(s):

Bank of the Southwest, N.A.
Houston, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: OSHM (NASDAQ)

Number of Stores: (at fiscal year end)

1980	90	1977	52
1979	87	1976	47
1978	81		

Sales and Earnings

	Net Sales	Net Income
1980*	$135,006,000	$ 6,340,000
1979	118,192,000	5,795,000
1978	85,465,000	4,214,000
1977	69,782,000	3,433,000
1976	60,890,000	2,981,000

	No. of Com. Shares	Earn. per Share #
1980	4,476,434	$1.41
1979	4,466,030	1.29
1978	4,735,237	0.88
1977	4,735,088	0.71
1976	4,733,340	0.62

* 53 weeks.
# Based on the weighted average number of common shares outstanding during each year adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.13	50%	—
1978	0.09	—	—
1977	0.06	—	—
1976	—	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 35,228,000	$7.87
1979	29,697,000	6.65
1978	26,069,000	5.51
1977	22,269,000‡	4.70
1976	19,109,000‡	4.04

‡ After allowing for preferred stock at liquidation value of $25 per share.
+ Adjusted to reflect stock dividend.

Income Account*
(000's)

Year ended	2/2/80 (53 weeks)	1/31/79
Net sales	$ 135,006	$ 118,192
Cost of sales	80,795	69,693
Expenses	42,337	37,354
Other income	(605)	(229)
Interest expense	760	779
Income before taxes	$ 11,719	$ 10,595
Income taxes	5,379	4,800
Net Income	$ 6,340	$ 5,795

* Included in Costs and Expenses, Depreciation and Amortization: $1,547,000 in 1980 and $1,176,000 in 1979.

Assets
(000's)

As of	2/2/80	1/31/79
Cash	$ 6,684	$ 9,450
Accts. receiv., net	5,893	5,174
*Inventories	31,630	29,404
Prepaid expenses	565	1,174
Current Assets	$ 44,772	$ 45,202
#Fixed assets	14,522	12,476
Intangibles	788	837
Total Assets	$ 60,082	$ 58,515

Liabilities
(000's)

	2/2/80	1/31/79
Long-term debt, curr.	$ 1,096	$ 695
Accts. payable	7,989	11,729
Accruals	4,582	4,328
Income taxes	2,893	2,815
Curr. Liabilities	$ 16,560	$ 19,567
Long-term debt	7,622	8,718
Deferred inc. taxes	672	533
+Common stock	4,476	4,466
Add. paid-in capital	863	787
Retained earnings	29,889	24,444
Total Liabilities & Shareholders' Equity	$ 60,082	$ 58,515

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.68	8.96
%Net Income to Sales	4.70	4.90
%Net Income to Equity	18.00	19.51
Sales to Inventories	4.27	4.02
Working Capital	$ 28,212,000	$ 25,635,000
Current Ratio	2.70	2.31
Shareholders' Equity	$ 35,228,000	$ 29,697,000

The Outlet Company

176 Weybosset Street
Providence, Rhode Island 02902
(401) 331-8700

The Outlet Company

Officers: Joseph S. Sinclair, chairman of the board; Bruce G. Sundlun, president & chief executive officer; David E. Henderson, exec. v.p.; Gerald J. Levy, exec. v.p.-finance; Solomon M. Yas, v.p.-personnel; Gerald Scher, v.p. & gen. counsel; Felix W. Oziemblewski, Jr., v.p. & controller; Robert C. Crowell, treasurer; Josephine Renola, secretary.

Directors: Stanley Grossman, Harvey White, William L. Reiff, Joseph S. Sinclair, Bruce G. Sundlun, Louis A. Fazzano, Paul F. Hartz, Frederick G. Frost III, Letitia Baldrige, Merlin E. Nelson.

Business Activities: Operates department stores under the names of Outlet, Edward Malley Co., and Denby's in New England and upstate New York, women's and children's specialty stores under name of Cherry & Webb and women's fashion stores under the name of Touraine located in New England, women's and juniors' fashion stores under the name of Philipsborn and Flair in the Washington, D.C. area, plus Small's and Hughes & Hatcher men's wear stores in the Midwest and Jacob Reed's Sons in the East. Also operates radio and TV stations in Rhode Island, Florida, Texas, Ohio, Washington, D.C., California, Pennsylvania, Michigan.

Divisions & Subsidiaries:

Department Store Division
176 Weybosset Street
Providence, Rhode Island 02902
(401) 331-8700

Outlet Department Stores
176 Weybosset Street
Providence, Rhode Island 02902
(401) 331-8700

Denby Stores Inc.
236 Broadway
Menands, New York 11204
(518) 449-3300

Warwick Shoe Company, Inc.
176 Weybosset Street
Providence, Rhode Island 02902
(401) 331-8700

Specialty Store Division
295 Armistice Blvd.
Pawtucket, Rhode Island 02861
(410) 727-0300

Cherry & Webb Stores
295 Armistice Blvd.
Pawtucket Rhode Island 02861
(410) 727-0700

Touraine Stores
Campanelli Drive
Braintree, Massachusetts 02185
(617) 848-3960

Philipsborn Stores
8643 Colesville Road
Silver Springs, Maryland 20910
(310) 589-7700

Men's Wear Division
1300 Twelfth Street
Detroit, Michigan 48216
(313) 965-7900

Hughes & Hatcher, Inc.
1300 Twelfth Street
Detroit, Michigan 48216
(313) 965-7900

Jacob Reed's Sons
1424 Chestnut Street
Philadephia, Pennsylvania 19102
(215) 563-5600

Small's
211 S.Washington Avenue
Lansing, Michigan 48933
(517) 484-4591

Broadcast Division
176 Weybosset Street
Providence, Rhode Island 02902
(410) 751-5700

WJAR-AM and WJAR-TV, Providence, R.I.
WDBO-TV, WDBO-AM, WDBO-FM, Orlando, Florida
KSAT-TV, San Antonio, Texas
WCMH-TV, Columbus, Ohio
WTOP-AM, Washington, D.C.
KIQQ-FM, Los Angeles, Ca.
WIOQ-FM, Philadelphia, Pennsylvania
WQRS-FM, Detroit, Michigan
KOVR-TV, Stockton-Sacramento, California

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchang(s): New York

Ticker Symbol: OTU

Number of Stores: (at fiscal year end)

1979	167	1976	88
1978	156	1975	38
1977	95		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$313,051,000	$ 4,021,000
1979	307,096,000	10,038,000
1978	247,561,000	9,502,000
1977	148,458,017	5,370,159
1976	121,991,028	4,730,506

	No. of Com. Shares †	Earn. per Share ‡‡
1980	2,514,827	$1.25
1979	2,443,179	3.68
1978	2,305,034	3.93
1977	2,149,461	2.33
1976	2,081,342	2.10

‡ Includes broadcasting revenue.
† Adjusted to reflect stock split.
‡‡ Based on average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1980	1979
Broadcasting	$ 46,565,000	$ 39,393,000
Retailing:		
Dept. stores	101,554,000	96,069,000
Women's specialty stores	70,313,000	75,357,000
Men's wear stores	94,469,000	95,404,000
Other	150,000	873,000
Total	$313,051,000	$307,096,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	1.00	—	—
1978	0.70	—	3-for-2
1977	0.53	—	—
1976	0.50	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 58,636,000	$23.32
1979	56,837,000	23.26
1978	48,325,000	20.97
1977	39,200,218	18.24
1976	34,962,258	16.80

‡ After allowing for preferred stock at liquidation value of $100 per share.
† Adjusted to reflect stock split.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$266,336,000	$266,830,000
Other income	46,715,000	40,266,000
Revenues	$313,051,000	$307,096,000
Cost of sales	159,165,000	158,717,000
Expenses	112,527,000	101,535,000
Depreciation & amortization	5,452,000	4,384,000
Broadcast oper. exp.	14,200,000	10,946,000
Interest expense	8,547,000	6,594,000
Misc. taxes	6,687,000	6,107,000
Income before taxes	$ 6,473,000	$ 18,813,000
Income taxes	2,452,000	8,775,000
Net Income	$ 4,021,000	$ 10,038,000

Assets

As of Jan. 31	1980	1979
Cash	$ 541,000	$ 2,062,000
Accts. receiv., net	50,115,000	44,586,000
*Inventories	58,783,000	55,654,000
Prepaid expenses	6,905,000	6,049,000
Current Assets	$116,344,000	$108,351,000
# Fixed assets	56,778,000	46,295,000
Other assets	4,796,000	4,315,000
Intangibles	31,911,000	25,833,000
Total Assets	$209,829,000	$184,794,000

Liabilities

	1980	1979
Note payable	$ 6,000,000	$ —
Long-term debt, curr.	4,551,000	5,647,000
Accts. payable	32,727,000	21,301,000
Payroll payable	13,596,000	12,236,000
Contracts payable	2,507,000	2,473,000
Dividends payable	837,000	831,000
Income taxes*	7,217,000	8,706,000
Other taxes	730,000	1,592,000
Curr. Liabilities	$ 68,165,000	$ 52,786,000
Long-term debt	63,231,000	55,863,000
Contracts payable	1,601,000	859,000
Minority interest	—	6,000
Deferred inc. taxes	2,212,000	1,475,000
Other liabilities	1,060,000	1,106,000
Redeem. pref. stock:		
+5½% convert.	885,000	1,465,000
+ + Series PA	2,487,000	2,798,000
+ + 5.75% convert.	11,000,000	11,000,000
Non-redeem. pref. stock:		
+ + Series PB	552,000	599,000
+ ‡Common Stock	6,294,000	6,138,000
Add. paid-in capital	7,030,000	6,172,000
Retained earnings	45,340,000	44,657,000
Treasury stock	(28,000)	(130,000)
Total Liabilities & Shareholders' Equity	$209,829,000	$184,794,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.43	7.05
%Net Income to Sales	1.51	3.76
%Net Income to Equity	6.79	17.48
Sales to Inventories	4.53	4.79
Working Capital	$ 48,179,000	$ 55,565,000
Current Ratio	1.71	2.05
Shareholders' Equity	$ 59,188,000	$ 57,436,000

Pacific Gamble Robinson Co.

4103 Second Avenue South
Seattle, Washington 98134
(206) 624-0111

Officers: Douglas S. Gamble, president; E.A. Thompson, exec. vice president; Donald P. Gamble, Jr., E.W. Sandygren, A.I. Bottman, vice presidents; John E. Ryan, Jr., secretary; Norman C. Morrison, treasurer; Richard Elzner, John Knutson, asst. secretaries.

Directors: Mervin Arenchild, John E. Ryan, Jr., Douglas S. Gamble*, E.A. Thompson*, Donald P. Gamble, Jr., Norman C. Morrison, E.W. Sandygren*, Gunter A. Brock, Virginia L. Parks, Arthur I. Bottman.

* Member of Executive Committee.

Business Activities: Operates 39 conventional supermarkets (Tradewell Stores) and 80 wholesale type markets (Prairie Market). These stores are located in Oregon, Washington and California. Also conducts shipping, distributing and trucking operations.

Division(s):

Retail Division
Kent, Washington 98031
(206) 226-3700

Shipping Division
Fremont, California 94538
(415) 656-1311

Trucking Division
Seattle, Washington 98108
(206) 767-3605

Distribution Divison
Seattle, Washington 98124
(206) 624-0111

Minneapolis, Minnesota 55405
(612) 338-8566

Transfer Agent(s):

Rainier National Bank
P.O. Box 24407
Seattle, Washington 98124

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PGAM (NASDAQ)

Number of Stores: (at fiscal year end)

1979	119	1976	111
1978	120	1975	106
1977	117		

Sales and Earnings

	Net Sales	Net Income
1979	$694,897,516	$ 6,464,510
1978	625,160,514	6,620,000
1977	562,074,810	4,073,000
1976	539,855,503	3,538,000
1975	518,269,330	6,225,000

	No. of Com. Shares #	Earn. per Share #
1979	1,871,012	$3.46
1978	1,879,953	3.52
1977	1,899,391	2.14
1976	1,711,675	2.06
1975	1,709,983	3.64

Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1979	$1.50	2%	—
1978	1.50	2%	—
1977	1.50	2%	—
1976	1.40	2%	—
1975	1.36	2%	—

Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 53,510,000	$28.56
1978	49,886,000	26.70
1977	46,659,000	24.54
1976	45,179,000	23.81
1975	38,586,000	22.56

Adjusted to reflect stock dividends.

Income Account*

Year ended Dec.	1979	1978
Net sales	$694,897,516	$625,160,514
Cost of sales	557,754,821	501,601,658
Expenses	123,625,247	109,670,989
Oper. profit	$ 13,517,448	$ 13,887,867
Other income	1,653,888	707,995
Total	$ 15,171,336	$ 14,595,862
Interest expense	2,788,826	1,960,452
Income before taxes	$ 12,382,510	$ 12,635,410
Income taxes	5,918,000	6,015,199
Net Income	$ 6,464,510	$ 6,620,211

* Included in Costs and Expenses, Depreciation and Amortization: $6,628,358 in 1979 and $5,593,350 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 2,141,331	$ 3,261,254
Accts. receiv., net	21,724,776	18,327,056
Other receiv.	2,214,469	3,474,658
*Inventories	36,911,084	38,490,161
Prepaid expenses & defer. inc. taxes	2,459,726	1,838,155
Current Assets	$ 65,451,386	$ 65,391,284
#Fixed assets	49,839,703	43,999,046
Other assets	1,988,033	1,119,875
Total Assets	$117,279,122	$110,510,205

Liabilities

Long-term debt, curr.	$ 688,353	$ 858,080
Oblig. under cap. leases, curr.	1,119,630	1,078,568
Outstanding checks	2,253,535	1,213,208
Accts. payable & accruals	27,854,802	28,217,194
Income taxes	125,972	2,875,052
Current Liabilities	$ 32,042,292	$ 34,242,102
Long-term debt	12,249,126	7,821,236
Oblig. under cap. leases	17,957,593	17,547,242
Deferred inc. taxes	1,520,015	1,013,810
+Common stock	9,532,421	9,333,026
Add. paid-in capital	13,922,699	13,250,074
Retained earnings	30,739,348	28,038,561
Treasury stock	(684,372)	(735,846)
Total Liabilities & Shareholders' Equity	$117,279,122	$110,510,205

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.78	2.02
%Net Income to Sales	0.93	1.06
%Net Income to Equity	12.08	13.27
Sales to Inventories	18.83	16.24
Working Capital	$ 33,409,094	$ 30,954,182
Current Ratio	2.04	1.91
Shareholders' Equity	$ 53,510,096	$ 49,885,815

Pako Corporation

6300 Olson Memorial Highway
Minneapolis, Minnesota 55440
(612) 540-6300

Officers: Kenneth M. Knopf, chairman of bd.; Robert L. Galloway, president & chief exec. officer; Marvin E. Diers, v.p.-facilities development; Gerald A. Jensen, v.p.-research & engineering; Erling W. Rockney, v.p.-human resources; James A. Truc, v.p.-int'l operations; Glendon K. Olson, v.p. & secretary; Peter B. Crawford, v.p.-mktg., U.S. & Canada; Thomas J. Ahmann, v.p.-finance; Garry H. Haas, v.p.-pres. Pako Photo, Inc.; Richard A. Sprau, v.p.-mfg.

Directors: Kenneth M. Knopf, Robert L. Galloway, Robert J. Crabb, Harry M. Dye, William C. Getsch, Edward C. Lund, Glendon K. Olson, C.J. Tempas, Charles M. Denny, Jr.

Business Activities: A photofinishing subsidiary, Pako Photo, Inc., operates a chain of company-owned Pako Filmshops, selling film, cameras and accessories. Stores are located primarily in the upper Midwest. The Company also manufactures photographic, graphic arts and X-ray processing equipment.

Subsidiaries:

Pako Photo, Inc.
1201 West Broadway
Minneapolis, Minnesota 55411

Pako International Sales Corp.
6300 Olson Memorial Highway
Minneapolis, Minnesota 55440

Pako G.m.b.H.
Platz Der Deutshen Einheit
D-1600 Darmstadt
West Germany

Pako Limited
2 Boulton Road
Reading
Berkshire RG20NZ
England

Pako Pty. Limited
Unit 11, 82 Reserve Road
Artarmon NSW 2064
Australia

Pako Scandinavia A/B
Bristagatan 16
Box 60
S-195 01 Marsta
Sweden

Pako Graphics, Ltd.
830 King Edwards St.
Winnipeg, Manitoba
Canada

Pako France S.A.R.L.
Centre Locatif Petite Montagne
3, Place de la Vannoise
(Courrier d'Entreprise 1411)
91019 Evry, Cedex, France

Pako Europe N.V.
434A Bisschoppenhoflaan
B-2100 Deurne
Belgium

Nippon Pako K.K.
2-1-6 Kasuga
Bunkyo-ku, Tokyo 112
Japan

Pako Sede Secondaria
Italy

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PAKO (NASDAQ)

Number of Stores: (at fiscal year end)

1979	60	1976	27
1978	60	1975	27
1977	27		

Sales and Earnings

	Net Sales	Net Income
1979	$ 78,288,000	$ 2,095,000
1978	68,055,000	1,747,000
1977	61,235,000	1,606,000
1976	53,564,000	1,590,000
1975	53,263,000	2,492,000

	No. of Com. Shares	Earn. per Share ≠
1979	1,198,601	$1.75
1978	1,198,601	1.46
1977	1,197,601	0.84
1976	1,197,601	1.33
1975	1,198,000	2.08

≠ Based on average number of shares outstanding

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Equipment	$70,087	90%	$59,309	87%
Processing	8,201	10	8,746	13
Total	$78,288	100%	$68,055	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.48		
1978	0.48	–	–
1977	0.48		
1976	0.48	–	
1975	0.40		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 22,701,000	$18.94
1978	21,181,000	17.67
1977	19,999,000	16.69
1976	19,568,000	16.33
1975	18,553,000	15.49

‡ Based on average number of shares outstanding

Income Account*
(000's)

Year ended Oct. 31	1979	1978
Net sales	$ 78,288	$ 68,055
Cost of sales	48,755	43,540
Expenses	23,018	20,919
Interest expense	2,530	1,763
Other expense (income)	87	(746)
Income before taxes	$ 3,898	$ 2,579
Income taxes	1,803	832
Net Income	$ 2,095	$ 1,747

* Included in Costs and Expenses. Depreciation and Amortization: $1,012,000 in 1979 and $1,004,000 in 1978.

Assets
(000's)

As of Oct. 31	1979	1978
Cash	$ 3,640	$ 2,049
Accts. receiv., net	17,156	16,494
Prepaid taxes	670	695
*Inventories	22,418	19,436
Prepaid expenses	711	737
Current Assets	$ 44,595	$ 39,411
≠Fixed assets	7,253	7,089
Other assets	1,086	840
Total Assets	$ 52,934	$ 47,340

Liabilities
(000's)

Notes payable	$ 3,483	$ 3,043
Long-term debt, curr.	870	777
Accts. payable	5,516	3,151
Accrued payroll	2,753	2,591
Income taxes	1,496	35
Other taxes	2,846	2,371
Curr. Liabilities	$ 16,964	$ 11,968
Long-term debt	12,508	13,350
Deferred credits	761	841
+Common stock	3,006	3,006
Add. paid-in capital	7,385	7,385
Retained earnings	12,363	10,843
Treasury stock	(53)	(53)
Total Liabilities & Shareholders' Equity	$ 52,934	$ 47,340

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $2.50 par value

Statistical Summary

%Income bef. Taxes to Sales	4.98	3.79
%Net Income to Sales	2.68	2.57
%Net Income to Equity	9.23	8.25
Sales to Inventories	3.49	3.50
Working Capital	$ 27,631,000	$ 27,443,000
Current Ratio	2.63	3.29
Shareholders' Equity	$ 22,701,000	$ 21,181,000

Pamida, Inc.

8800 F. Street
Omaha, Nebraska 68127
(402) 339-2400

Officers: D.J. Witherspoon, chairman of the board & chief executive officer; L.E. Wegener, vice chairman of the board; C. Clayton Burkstrand, president & chief operating officer; Herbert B. Underwood, sr. v.p.-operations; Ronald W. Curtis, sr. v.p.-finance, secretary & treasurer; John J. Wiesner, sr. v.p.-accounting & financial administration; LeRoy Peterson, v.p.-advertising & promotion; C.E. Doyle, v.p.-personnel & public relations; Richard W. Ramm, controller.

Directors: D.J. Witherspoon, L.E. Wegener, Herbert B. Underwood, J.G. Sawicki, F. Phillips Giltner, Anne M. McCarthy, C. Clayton Burkstrand, Frank Nelson, Jean L. Carrica.

Business Activities: Operates discount stores in Illinois, Iowa, Kansas, Michigan, Missouri, Minnesota, Nebraska, North Dakota, South Dakota, Wisconsin, Wyoming, Montana and Idaho under the name Pamida-Gibson Discount Center.

Transfer Agent(s):

Citibank, N.A.
New York, New York

First National Bank of Omaha
Omaha, Nebraska

Stock Exchange(s): New York

Ticker Symbol: PAM

Number of Stores: (at fiscal year end)

1980	188	1977	197
1979	197	1976	190
1978	199		

Sales and Earnings

	Net Sales	Net Income
1980	$333,463,000	$ 3,053,000
1979	318,833,000	528,000
1978	294,967,000	5,783,000
1977	273,111,000	2,773,000
1976	241,579,000	7,563,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	9,256,260	$0.33
1979	9,259,232	0.06
1978	9,178,436	0.63
1977	9,216,812	0.30
1976	9,265,805	0.82

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.03	–	–
1979	0.12	–	–
1978	0.12	–	–
1977	0.11	–	–
1976	0.10	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 66,183,000	$7.15
1979	63,407,000	6.85
1978	63,392,000	6.93
1977	59,137,000	6.42

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$333,463,000	$318,833,000
Cost of sales	253,802,000	249,917,000
Expenses	69,736,000	64,728,000
Interest expense	4,028,000	3,782,000
Income before taxes	$ 5,897,000	$ 406,000
Income taxes (credit)	2,844,000	(122,000)
Net Income	$ 3,053,000	$ 528,000

* Included in Costs and Expenses. Depreciation: $3,305,000 in 1980 and $3,025,000 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 17,539,000	$ 7,523,000
Accts. receiv., net	1,630,000	1,737,000
*Inventories	73,276,000	88,177,000
Prepaid expenses	906,000	819,000
Def. inc. taxes	499,000	1,572,000
Current Assets	$ 93,850,000	$ 99,828,000
≠Fixed assets	20,301,000	21,608,000
Leased prop. under cap. leases	12,754,000	13,524,000
Other assets	1,639,000	1,307,000
Total Assets	$128,544,000	$136,267,000

Liabilities

Long-term debt, curr	$ 1,279,000	$ 757,000
Oblig. under cap. leases, curr.	650,000	574,000
Accts. payable	20,588,000	33,518,000
Accruals	2,623,000	2,002,000
Accrued payroll	1,975,000	876,000
Income taxes	4,213,000	–
Other taxes	1,522,000	1,491,000
Curr. Liabilities	$ 32,850,000	$ 39,218,000
Long-term debt	14,192,000	18,221,000
Oblig. under cap. leases	14,364,000	14,680,000

Other long-term liabilities	955,000	741,000
+Common stock	4,626,000	4,626,000
Add. paid-in capital	13,236,000	13,236,000
Retained earnings	48,321,000	45,545,000
Total Liabilities & Shareholders' Equity	$128,544,000	$136,267,000

* At lower of cost (LIFO) or market, the remaining inventories at lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.77	—
%Net Income to Sales	0.92	0.17
%Net Income to Equity	4.61	0.83
Sales to Inventories	4.55	3.62
Working Capital	$ 61,000,000	$ 60,610,000
Current Ratio	2.86	2.55
Shareholders' Equity	$ 66,183,000	$ 63,407,000

Paul Harris Stores, Inc.

6003 Guion Road
P.O. Box 68162
Indianapolis, Indiana 46268
(317) 293-3900

Officers: Earl Harris, chairman of the board; Gerald Paul, president; Stanton J. Bluestone, exec. v.p.; Howard Barnett, Max Apter, David R. Bomberger, Helen Price, Vic Ellis, vice presidents; Ed Galm, v.p.-finance & treasurer; C. Benjamin Dutton, assistant secretary; William L. Lawrence, Jr., asst. treasurer & asst. controller.

Directors: Earl Harris*, chairman; Gerald Paul, Stanton G. Cort, S. Carroll Kahn, Jr., C. Benjamin Dutton, Scott Hodes.

* Member of Executive Committee.

Business Activities: Operates sportswear apparel shops for women and men in Indiana, Kentucky, Ohio, Iowa, Illinois, Delaware, Georgia, Kansas, Maryland, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, Texas, Virginia, Wisconsin, Washington D.C. and Tennessee. These include a chain of "budget stores."

Transfer Agent(s):

Merchants National Bank
Indianapolis, Indiana

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PHRS (NASDAQ)

Number of Stores: (at fiscal year end)

1980	175	1977	101
1979	159	1976	76
1978	126		

Sales and Earnings

	Net Sales	Net Income
1980	$ 82,929,105	$ (581,784)
1979*	76,510,325	421,534
1978	60,846,956	2,328,235
1977	46,157,084	1,936,698
1976	33,957,577	2,005,666

	No. of Com. Shares +	Earn. per Share +
1980	1,324,413	$ —
1979	1,345,967	0.31
1978	1,335,858	1.74
1977	1,340,441	1.45
1976	1,292,810	1.55

(Loss)
* 53 weeks.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ≠	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.16	—	3-for-2
1978	0.13	—	—
1977	0.13	—	—
1976	0.10	—	2-for-1

≠ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 10,715,052	$8.24
1979	11,269,523	8.72
1978	11,017,339	8.59
1977	8,839,051	6.92
1976	7,063,682	5.54

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 82,929,105	$ 76,510,325
Cost of sales	54,279,744	51,716,503
Expenses	25,745,499	23,806,946
Depreciation	1,992,483	1,468,342
Interest expense	2,376,285	1,562,820
Insurance recovery	—	(1,875,000)
Loss before taxes	$ (1,464,906)	$ (169,286)
Tax credit	(883,122)	(590,820)
Net Income (Loss)	$ (581,784)	$ 421,534

Assets

As of	2/2/80	2/3/79
Cash	$ 802,155	$ 690,827
Accts. receiv., net	819,117	802,199
Recov. income taxes	302,411	1,375,077
Insur. recov. receiv.	—	1,850,229
*Inventories	9,464,148	11,765,597
Supplies	1,133,916	862,661
Prepaid expenses	697,674	840,799
Current Assets	$ 13,219,421	$ 18,187,389
≠Fixed assets	22,895,599	20,579,651
Other assets	824,135	595,263
Defer. charges	40,150	52,069
Total Assets	$ 36,979,305	$ 39,414,372

Liabilities

Notes payable	$ 3,750,000	$ 3,850,000
Long-term debt, curr	810,227	631,828
Accts. payable	2,861,439	5,602,627
Accruals	1,492,031	1,327,768
Accrued payroll	585,648	599,283
Curr. Liabilities	$ 9,499,345	$ 12,011,506
Long-term debt	15,911,660	15,556,873
Deferred inc. taxes	853,248	576,470
+Common stock	2,156,670	2,129,357
Add. paid-in capital	4,300	4,300
Retained earnings	8,554,082	9,135,866
Total Liabilities & Shareholders' Equity	$ 36,979,305	$ 39,414,372

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Net Income to Sales	—	0.55
%Net Income to Equity	—	3.74
Sales to Inventories	8.76	6.50
Working Capital	$ 3,720,076	$ 6,175,883
Current Ratio	1.39	1.51
Shareholders' Equity	$ 10,715,052	$ 11,269,523

Pay Less Drug Stores

8000 Edgewater Drive
Oakland, California 94621
(415) 635-9600

Officers: Donald J. Eaton, chairman of the board and chief executive officer; John P. Spurlock, president and chief operating officer; Leonard T. Wood, senior v.p.-finance and chief financial officer; Thomas R. Weston, v.p.-Hawaii Div.; Gerald Haack, v.p.-Western Div.; Thomas Cassidy, v.p.-management info. systems; John S. Young, v.p.-merchandising; Harvey Durand, v.p.-Northern Division; Kris Hoffman, v.p.-store development; Phillip W. Ensor, secretary and treasurer.

Directors: *Donald J. Eaton, Philip M. Jelley, David Montgomery, John F. Kilmartin, Leonard T. Wood, Dru Scott, John P. Spurlock, Richard H. Ward, Allen C. Wilcox, Jr.

Business Activities: Operates chain of "super" drug stores which feature departments such as pharmaceutical, camera, liquor, sporting goods, automotive, etc. Stores are located in California, Hawaii and Nevada.

Transfer Agent(s):

The Bank of California N.A.
San Francisco, California

Citibank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PLDS (NASDAQ)

Number of Stores: (at fiscal year end)

1979	59	1976	68
1978	59	1975	64
1977	55		

Sales and Earnings

	Net Sales	Net Income
2/3/79*	$276,396,000	$ 2,854,000
1/28/78	292,259,000	483,000
12/31/76	259,304,000	4,374,000
12/31/75	234,158,000	4,273,000
12/31/74	191,545,000	3,387,000

	No. of Com. Shares	Earn. per Share‡
2/3/79*	2,133,715	$1.31
1/28/78	2,119,615	0.22
12/31/76	2,201,913	1.94
12/31/75	2,199,650	1.91
12/31/74	2,171,400	1.56

* 53 weeks.
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
2/3/79	$0.40	—	—
1/28/78	0.40	—	—
12/31/76	0.40	—	—
12/31/75	0.40	—	—
12/31/74	0.34	—	—

Common Stock Equity

	Total Equity	Equity Per Share
2/3/79	$ 31,300,000	$14.65
1/28/78	29,200,000	13.64
12/31/76	30,500,000	13.84
12/31/75	27,000,000	12.25
12/31/74	23,200,000	10.69

Income Account

Year ended	2/3/79 (53 weeks)	1/28/78
Net sales	$ 276,396	$ 292,259
Other income	1,958	2,246
Total income	$ 278,354	$ 294,505
Cost of sales	206,539	222,430
Sell & admin. exp.	18,028	19,697
Advertising	7,344	7,615
Depreciation & amortization	3,875	4,331
Rents	1,865	2,008
Employees' benefit	30,940	31,451
Interest expense	4,333	6,254
Income before taxes	$ 5,430	$ 719
Income taxes	2,576	236
Net Income	$ 2,854	$ 483

Assets
(000's)

As of	2/3/79	1/28/78
Cash	$ 2,902	$ 2,542
Accts. receiv., net	2,315	3,284
*Inventories	40,287	32,109
Prop. for sale	—	1,303
Stores for sale	—	9,689
Deferred inc. tax benefit	360	1,153
Invest. in financing leases	96	108
Prepaid expenses	905	817
Current Assets	$ 46,865	$ 51,005
≠Fixed assets	48,530	43,290
Other assets	7,082	7,684
Total Assets	$ 102,477	$ 101,979

Liabilities
(000's)

Notes payable	$	$ 6,950
Long-term debt, curr.	1,400	
Accts. payable	22,075	18,551
Income taxes	1,815	648
Oblig. under cap. leases	1,503	1,595
Curr. Liabilities	$ 26,793	$ 27,744
Long-term debt	5,600	7,000
Oblig. under cap. leases	38,815	38,055
+ Common stock	1,138	1,131
Add. paid-in capital	1,031	952
Retained earnings	29,100	27,097
Total Liabilities & Shareholders' Equity	$ 102,477	$ 101,979

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $0.53-⅓ stated value.

Statistical Summary

%Income bef. Taxes to Sales	1.96	0.25
%Net Income to Sales	1.03	0.17
%Net Income to Equity	9.13	1.66
Working Capital	$ 20,072,000	$ 23,261,000
Current Ratio	1.75	1.84
Shareholders' Equity	$ 31,269,000	$ 29,180,000

Pay Less Drug Stores Northwest, Inc.

9275 S.W. Peyton Lane
Wilsonville, Oregon 97070
(503) 682-4100

Officers: Peyton Hawes, chairman of the board; Edward B. Hart, president & chief exec. officer; Noel Flynn, vice president; Harold B. Hummelt, vice president-real estate; Mac Allen Culver, v.p.-operations; Ron Schiff, v.p.-merchandising; William B. Armitage, secretary; Eugene Guinn, vice president-finance.

Directors: Peyton Hawes, chairman; Edward B. Hart, Noel Flynn, William B. Armitage, H. Stewart Tremaine, H.B. Hummelt, E.W. Guinn, Claude Bekins, Ralph J. Voss.

Business Activities: Operates drug stores in Oregon, Washington, Idaho and California under the name Pay Less Drug Stores, Value Giant and House of Values.

Transfer Agent(s):

U.S. National Bank of Oregon
321 S.W. 6th Avenue
Portland, Oregon 97204

Bankers Trust Company
485 Lexington Avenue
New York, New York 10019

Stock Exchange(s): New York

Ticker Symbol: PAY

Number of Stores: (at fiscal year end)

1980	89	1977	80
1979	80	1976	50
1978	77		

Sales and Earnings

	Net Sales	Net Income
1980	$380,494,000	$ 12,400,000
1979	345,573,000	9,853,000
1978	298,306,000	8,252,000
1977	247,342,613	7,142,000
1976	193,396,239	5,750,000

	No. of Com. Shares ≠	Earn. per Share ≠
1980	4,398,363	$2.82
1979	4,383,718	2.25
1978	4,346,693	1.90
1977	4,340,423	1.65
1976	4,245,945	1.35

≠ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.50	—	—
1978	0.38	—	5-for-4
1977	0.26	—	5-for-4
1976	0.23	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 66,733,000	$15.17
1979	56,889,000	12.98
1978	48,697,000	11.20
1977	41,911,000	9.66

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 380,494	$ 345,573
Other income	3,315	2,386
Total income	$ 383,809	$ 347,959
Cost of sales	277,018	253,728
Expenses	77,544	69,266
Depreciation & amortization	3,715	2,939
Interest expense	3,766	3,049
Income before taxes	$ 21,766	$ 18,977
Income taxes	9,366	9,124
Net Income	$ 12,400	$ 9,853

Assets
(000's)

As of Jan. 31	1980	1979
Cash & short-term invest.	$ 1,998	$ 15,717
Receivables, net	4,698	2,884
*Inventories	93,638	62,693
Prepaid expenses	2,762	2,316
Prop. held for sale	6,003	338
Current Assets	$ 109,099	$ 83,948
≠Fixed assets	73,719	51,940
Invest. in co. to be acq.	4,903	—
Other assets	365	577
Total Assets	$ 188,086	$ 136,465

Liabilities
(000's)

Notes payable	$ 18,000	$ —
Comm. paper	14,800	—
Long-term debt, curr.	3,619	1,802
Cap. lease oblig., curr.	368	349
Accts. payable	21,911	18,167
Accruals	12,618	10,021
Income taxes	3,710	4,020
Deferred inc. taxes	798	887
Curr. Liabilities	$ 75,824	$ 35,246
Long-term debt	27,644	28,661
Cap. lease oblig.	13,690	13,962
Deferred inc. taxes	4,195	1,707
+ Common stock	4,395	4,386
Add. paid-in capital	2,330	2,256
Retained earnings	60,008	50,247
Total Liabilities & Shareholders' Equity	$ 188,086	$ 136,465

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.72	5.49
%Net Income to Sales	3.26	2.85
%Net Income to Equity	18.58	17.32
Working Capital	$ 33,275,000	$ 48,702,000
Current Ratio	1.44	2.38
Shareholders' Equity	$ 66,733,000	$ 56,889,000

Payless Cashways, Inc.

3100 Broadway
Suite 1000
Kansas City, Missouri 64111
(816) 756-1670

Officers: J. Stanley Covey, chairman of the board & chief executive officer; David Stanley, president & chief operating officer; Harlon L. Seats, executive v.p.; Larry Koeppen, v.p.-merchandising; Dean Longnecker, treasurer & secretary; Richard E. Hemer, vice president-construction; Patrick M. Giesey-vice president-purchasing; Dean Longnecker, treasurer & secretary.

Directors: V.W. Furrow, Leon E. Hickman; David Stanley, J. Stanley Covey, F. John Roost, Edward C. Thompson, Oran E. Watson.

Payless Cashways, Inc.

Business Activities: Mass merchandise in the "do-it-yourself" farm, ranch, suburban and urban home building supply business, operating building materials supermarts located primarily in the Midwest, Southwest, and Pacific Northwest.

Transfer Agent(s):

Iowa-Des Moines National Bank
Des Moines, Iowa

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PAYL (NASDAQ)

Number of Stores: (at fiscal year end)

1979	69	1976	44
1978	60	1975	41
1977	52		

Sales and Earnings

	Net Sales ≠	Net Income
1979	$316,124,230	$ 14,475,885
1978	248,266,239	11,989,677
1977	183,462,645	8,931,117
1976	134,458,296	6,667,094
1975	102,115,810	4,025,928

	No. of Com. Shares ‡	Earn. per Share ‡
1979	11,565,648	$1.25
1978	11,520,948	1.04
1977	11,471,482	0.78
1976	10,841,196	0.62
1975	9,420,776	0.43

≠ Includes other income.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.12	—	—
1978	0.10	—	2-for-1
1977	0.075	—	2-for-1
1976	0.05	—	—
1975	0.05	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 75,495,564	$6.53
1978	62,303,963	5.41
1977	51,178,950	4.46
1976	42,968,301	3.96
1975	24,056,999	2.55

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account

Year ended Nov. 30	1979	1978
Net sales	$315,852,820	$248,111,333
Other income	271,410	154,906
Total income	$316,124,230	$248,266,239
Cost of sales	217,924,560	169,677,032
Expenses	62,602,053	49,703,094
Depreciation & amortization	3,722,337	2,873,670
Interest expense	4,829,395	2,768,766
Income before taxes	$ 27,045,885	$ 23,243,677
Income taxes	12,570,000	11,254,000
Net Income	$ 14,475,885	$ 11,989,677

Assets

As of Nov. 30	1979	1978
Cash	$ 2,287,181	$ 2,582,509
Accts. receiv., net	844,812	583,709
*Inventories	87,825,964	61,464,875
Prepaid & other assets	1,076,381	653,477
Current Assets	$ 92,035,338	$ 65,284,570
≠Fixed assets	66,624,742	48,682,836
Other assets	314,271	267,906
Total Assets	$158,974,351	$114,235,312

Liabilities

	1979	1978
Notes payable	$ 14,000,000	$ 7,000,000
Long-term debt, curr.	891,987	886,988
Accts. payable	17,064,898	11,609,654
Accruals	1,882,331	1,317,659
Accrued payroll	3,263,004	2,312,190
Income taxes	3,051,195	2,546,113
Other taxes	2,038,757	1,517,587
Payroll taxes	294,615	254,171
Curr. Liabilities	$ 42,486,787	$ 27,444,362
Long-term debt	39,492,000	23,633,987
Deferred inc. taxes	1,500,000	853,000
+Common stock	5,787,938	5,773,988
Add. paid-in capital	16,722,966	16,633,907
Retained earnings	52,984,660	39,896,068
Total Liabilities & Shareholders' equity	$158,974,351	$114,235,312

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

	1979	1978
%Income bef. Taxes to Sales	8.56	9.37
%Net Income to Sales	4.58	4.83
%Net Income to Equity	19.17	19.24
Sales to Inventories	3.60	4.04
Working Capital	$ 49,548,551	$ 37,840,208
Current Ratio	2.17	2.38
Shareholders' Equity	$ 75,495,564	$ 62,303,963

Pay 'N Pak Stores, Inc.

1209 South Central
P.O. Box 808
Kent, Washington 98031
(206) 854-5450

Officers: David J. Heerensperger, chairman of the board & chief exec. officer; Jerry L. Marlow, president & chief operating officer; Harold F. Bacon, executive vice president; Peter W. Gallina, v.p.-real estate & store development; Victor W. Crosswhite, v.p.-purchasing; Halvor Knudtzon, Jr., secretary-treasurer & controller; Monte A. Leen, v.p.-merchandising; Calvin E. Karbowski, v.p.-distribution.

Directors: David J. Heerensperger, chairman; Halvor Knudtzon, Jr., Woodrow C. Button, Marshall J. Weigel, Jerry L. Marlow, Harold F. Bacon, Monte A. Leen.

Business Activities: Operates a chain of stores which features complete line of home improvement products. Some stores carry lines of automotive parts and accessories and sporting goods. Stores are located in 14 western and mid-western states, including Alaska.

Subsidiaries:

Pay'N Pak Properties, Inc.
Eagle Electric & Plumbing Supply, Inc.
Don Mar, Inc.

Transfer Agent(s):

Peoples National Bank of Washington
Seattle, Washington

Citibank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PAYP (NASDAQ)

Number of Stores: (at fiscal year end)

1980	78	1977	60
1979	70	1976	55
1978	65		

Sales and Earnings

	Revenues	Net Income
1980	$138,361,294	$ 6,312,882
1979	117,688,090	5,402,926
1978	98,051,888	4,006,465
1977	80,642,749	2,871,128
1976	73,279,952	2,429,974

	No of Com. Shares +	Earn. per Share‡
1980	4,426,342	$1.43
1979	4,053,934	1.33
1978	3,862,343	1.04
1977	3,862,343	0.74
1976	3,986,130	0.61

+ Adjusted to reflect stock dividends and stock split.
‡ Based on weighted average number of common shares outstanding adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Electrical	33%	31%	32%	33%
Plumbing	24	25	26	26
Building materials	33	33	30	29
Automotive	5	6	6	7
Sporting goods	5	5	6	5
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.60	20%	—
1979	0.50	—	4-for-3
1978	0.344	—	3-for-2
1977	0.225	—	—
1976	0.175	10%	—

‡ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 32,471,934	$7.45
1979	28,475,006	6.67
1978	16,694,335	4.60
1977	13,566,305	3.80
1976	11,616,885	3.32

+ Based on weighted average number of common shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account

Year ended Feb. 28	1980	1979
Revenues	$138,361,294	117,688,090
Cost of sales	88,225,081	75,255,440
Expenses	31,011,234	26,005,335
Rent	1,665,937	1,424,436
Depreciation	2,667,637	2,203,011
Interest expense	3,320,423	2,600,379
Income before taxes	$ 11,470,982	$ 10,199,489
Income taxes	5,158,100	4,796,563
Net Income	$ 6,312,882	$ 5,402,926

Assets

As of Feb. 28	1980	1979
Cash	$ 1,158,163	$ 804,100
Cert. of dep.		4,600,000
Accts. & notes receiv., net	957,199	865,790
* Inventories	43,415,204	34,493,352
Prepaid expenses	930,848	882,651
Current Assets	$ 46,461,414	$ 41,645,893
≠ Fixed assets	34,562,058	24,345,582
Cert. of dep.		3,400,000
Deferred inc. taxes	406,898	417,860
Other assets	260,743	293,579
Total Assets	$ 81,691,113	$ 70,102,944

Liabilities

Notes payable	$ 6,250,000	$ 2,400,000
Long-term debt, curr.	371,041	1,152,914
Accts. payable	9,828,058	9,452,304
Accruals	124,995	328,830
Accrued payroll & prof. sh.	1,431,317	1,191,698
Income taxes	685,213	1,045,153
Other taxes	1,079,583	1,093,113
Curr. Liabilities	$ 19,770,207	$ 16,664,012
Long-term debt	28,680,119	23,848,328
Other liabilities	664,018	1,003,869
Deferred income	104,835	111,699
+ Common stock	442,634	368,862
Add. paid-in capital	15,064,778	15,138,550
Retained earnings	17,628,540	13,971,463
Deferred emp. benefits	(664,018)	(1,003,869)
Total Liabilities & Shareholders' Equity	$ 81,691,113	$ 70,102,914

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.29	8.67
%Net Income to Revenues	4.56	4.59
%Net Income to Equity	19.44	18.97
Working Capital	$ 26,691,207	$ 24,981,881
Current Ratio	2.35	2.50
Shareholders' Equity	$ 32,471,934	$ 28,475,006

Pay'n Save Corporation

1511 6th Avenue
Seattle, Washington 98101
(206) 447-6000

Officers: Monte L. Bean, chairman of the board; M. Lamont Bean, president & chief executive officer; E.R. Erickson, exec. v.p.-operations; Calvin Hendricks, exec. v.p.-administration; Thomas R. Lawrenson, sr. v.p.; Joseph J. Petrino, v.p.-Pay'n Save Northern Division; J. Kenneth Green, v.p.-Lamonts Apparel Division; Walter R. Guidinger, v.p.-development; Jack Phelan, v.p.; Raymond C. Swanson, secretary; Joseph Christy, treasurer & asst. secretary; Jennie K. Hauge, asst. treasurer.

Directors: Monte L. Bean, chairman; M. Lamont Bean*, Joshua Green, Jr., James H. Clawson, E.R. Erickson*, Calvin Hendricks*, Raymond C. Swanson.

* Member of Executive Committee.

Business Activities: Operates drug, home center and apparel stores in Washington.

Division(s):

Apparel Division
Pay'n Save Drug Division
Ernst-Malmo Home Centers

Subsidiaries:

Sportswest
Yard Birds Stores
Lamonts Apparel Stores
Pay'n Save Drugs, Ltd., Canada
Ernst Home Centers
Bi-Mart Company

All at
1511 6th Avenue
Seattle, Washington 98101
(206) 447-6000

Von Tobel's Home Center
Las Vegas, Nevada

Transfer Agent(s):

Peoples National Bank of Washington
Seattle, Washington 98101

Bradford Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PAYN (NASDAQ)

Number of Stores: (at fiscal year end)

1980	199	1977	166
1979	183	1976	140
1978	176		

Sales and Earnings

	Net Sales	Net Income
1980	$709,064,000	$ 19,313,000
1979	618,731,000	17,199,000
1978	549,380,000	14,539,000
1977	453,297,273	13,817,000
1976	330,083,444	11,262,000

	No. of Com. Shares	Earn. per Share ≠
1980	5,480,582	$3.52
1979	5,461,982	3.14
1978	5,435,892	2.66
1977	5,434,692	2.53
1976	5,389,575	2.44

≠ Based on average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1980	1979	1978	1977
Drug division	61.18%	62.64%	64.32%	68.90%
Hardware division	29.71	28.09	27.53	23.24
Apparel division	9.11	9.27	8.15	7.86
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.72	—	—
1979	0.60	—	—
1978	0.50	—	—
1977	0.40	—	—
1976	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$124,191,000	$22.66
1979	108,568,000	19.88
1978	94,266,000	17.34
1977	82,429,000	15.17
1976	70,159,000	13.02

Income Account*

Year ended	2/2/80	1/31/79
Net sales	$709,064,000	$618,731,000
Other income	2,416,000	2,466,000
Total income	$711,480,000	$631,197,000
Cost of sales	500,421,000	434,439,000
Expenses	165,515,000	144,287,000
Interest expense	10,182,000	8,992,000
Income before taxes	$ 35,362,000	$ 33,479,000
Income taxes	16,049,000	16,280,000
Net Income	$ 19,313,000	$ 17,199,000

* Included in Costs and Expenses, Depreciation: $9,457,000 in 1980 and $8,807,000 in 1979.

Assets

As of	2/2/80	1/31/80
Cash	$ 3,525,000	$ 2,579,000
Receiv., net	4,644,000	4,598,000
Notes receiv.	1,041,000	870,000
*Inventories	141,245,000	119,665,000
Prepaid expenses	1,095,000	769,000
Current Assets	$153,418,000	$128,481,000
≠Fixed assets	126,736,000	105,455,000
Other assets & intangibles	13,212,000	11,340,000
Total Assets	$293,366,000	$245,276,000

Liabilities

Notes payable	$ 22,762,000	$ 5,000,000
Long-term debt, curr.	868,000	800,000
Oblig. under cap. leases	1,500,000	1,283,000
Accts. payable	34,176,000	29,112,000
Accruals	6,061,000	4,861,000
Accrued payroll	4,803,000	4,647,000
Income taxes	5,404,000	7,592,000
Other taxes	4,498,000	3,968,000
Curr. Liabilities	$ 80,072,000	$ 57,263,000
Long-term debt	10,770,000	10,680,000
Oblig. under cap. leases	78,333,000	68,765,000
+ Common stock	35,761,000	35,506,000
Retained stock	88,430,000	73,062,000
Total Liabilities & Shareholders' Equity	$293,366,000	$245,276,000

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.99	5.41
%Net Income to Sales	2.72	2.78
%Net Income to Equity	15.55	15.84
Sales to Inventories	5.02	5.17
Working Capital	$ 73,346,000	$ 71,218,000
Current Ratio	1.92	2.24
Shareholders' Equity	$124,191,000	$108,568,000

Paysaver Catalog/Showrooms, Inc.

705 Meadow Street
Chicopee, Massachusetts 01013
(413) 594-6621

mailing address:

P.O. Box 2010
Springfield, Massachusetts 01101

Paysaver Catalog/Showrooms, Inc.

Officers: Mortimer A. Polep, chairman of the board & treasurer; Charles L. Polep, president; George Proulx, executive v.p.; Leon Belenky, Samuel Krevalin, Odo Palazzi, Gerald Shible, James A. Polep, Nathan Fox, v.p.'s; David A. Shrair, secretary.

Directors: John F. Kennedy, Russell Mawdsley, Gerald D'Amour, Mortimer A. Polep, Charles L. Polep, Leon Belenky, Nathan Fox, David A. Shrair.

Business Activities: Operates four catalog/showrooms in Western Massachusetts selling jewelry, gifts, photo equipment, stereo components, small appliances, luggage, toys making use of a 400 page color catalog as well as some television and newspaper advertising. The Company has a limited mail order service and handles limited industrial and bank promotions as well as some wholesale sales. The company maintains an inventory to offer immediate pick up of most catalog merchandise and handles many non catalog items in the showrooms as well.

Transfer Agent(s):

Third National Bank of Hampden County
1391 Main Street
Springfield, Massachusetts 01103

Stock Exchange(s): Boston

Ticker Symbol: PCS

Number of Stores: (at fiscal year end)

1980	4	1977	3
1979	3	1976	3
1978	3		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 10,726,120	$ 358,736
1979	9,555,970	291,724
1978	8,712,734	283,550
1977*	6,242,502	260,063
1976	6,411,786	(28,057)

	No. of Com. Shares	Earn. per Share #‡
1980	478,650	$0.73
1979	493,850	0.59
1978	501,000	0.56
1977*	507,600	0.51
1976	510,500	

(Loss)
* 9 months.
+ Of continuing operations only.
# Based on weighted average number of shares outstanding.
‡ Including extraordinary gains of $64,308 ($0.13 per share) in 1978, $111,531 ($0.22 per share) in 1977, $5,088 ($0.01 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,246,367	$4.69
1979	1,907,537	3.86
1978	1,623,257	3.24
1977	1,346,903	2.65
1976	1,089,218	2.13

Income Account*

Year ended	2/23/80	2/24/79
Net sales	$ 10,726,120	$ 9,555,970
Cost of sales	7,861,353	7,161,268
Expenses	2,179,839	1,794,128
Interest expense	57,153	45,852
Interest income	(4,885)	(5,397)
Income before taxes	$ 632,660	$ 560,119
Income taxes	273,924	268,395
Net Income	$ 358,736	$ 291,724

* Included in Costs and Expenses, Depreciation and Amortization: $56,686,000 in 1980 and $34,959,000 in 1979.

Assets

As of	2/23/80	2/24/79
Cash	$ 289,290	$ 294,022
Accts. receiv., net	146,391	143,179
*Inventories	3,417,021	2,438,142
Prepaid expenses	85,275	47,058
Current Assets	$ 3,937,977	$ 2,922,401
Investments	5,100	5,100
Deferred interest	115,136	
#Fixed assets	581,622	209,981
Other assets	5,274	500
Total Assets	$ 4,645,109	$ 3,137,982

Liabilities

Notes payable	$ 194,396	$ 115,000
Due to affiliates	661,436	217,392
Accts. payable & accruals	514,633	544,572
Income taxes	1,924	124,435
Other taxes	47,583	27,796
Curr. Liabilities	$ 1,419,972	$ 1,029,195
Long-term debt	978,770	201,250
+Common stock	52,000	52,000
Add. paid-in capital	889,738	889,738
Retained earnings	1,354,103	995,367
Treasury stock	(49,474)	(29,568)
Total Liabilities & Shareholders' Equity	$ 4,645,109	$ 3,137,982

* At cost (FIFO) determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.90	5.86
%Net Income to Sales	3.34	3.05
%Net Income to Equity	15.97	15.29
Sales to Inventories	3.14	3.92
Working Capital	$ 2,518,005	$ 1,893,206
Current Ratio	2.77	2.84
Shareholders' Equity	$ 2,246,367	$ 1,907,537

Peavey Company

Peavey Building
730 Second Avenue South
Minneapolis, Minnesota 55402
(612) 370-7500

Officers: William G. Stocks, chairman of the board & chief exec. officer; George K. Gosko, president & chief operating officer; Frank T. Heffelfinger, exec. v.p.; Marcus W.K. Heffelfinger, group v.p.-industrial foods; Jerome W. Trebil, group v.p.-retail; Lewis A. Remele, group v.p.-agricultural; John B. McCain, v.p.-finance; Allen J. Arbeiter, v.p.-personnel; W. Michael Dwyer, v.p.-market research & product development; Donald R. Herbert, v.p., gen. counsel & secretary; Wilbert M. Oman, v.p.-management systems; Thomas A. Hamill, v.p.-public affairs; James R. Scoggin, v.p.-transportation; John J. Knip Jr., treasurer; Arthur L. Mulvey, controller.

Directors: Fredric H. Corrigan, Gerald A. Rauenhorst, John E. Hulse, F. Peavey Heffelsinger, Jr., Frank T. Heffelfinger, George W.P. Heffelfinger, Marcus W.K. Heffelfinger, George K. Gosko, William G. Stocks, Clarence C. Walton, Frederick B. Wells.

Business Activities: Operates retail fabric stores, home improvement-building supply centers; and retail stores in Canada; produces flour and flour-based food products for distribution to food processors and food retailers; produces and markets specialty breads, croutons, stuffing and consumer flour; manufactures and markets carpet cleaning equipment and chemicals for consumer and industrial markets. Other activities include grain marketing, commodity futures brokerage, commodity transport, and providing services and supplies to farmers and ranchers.

Divisions & Subsidiaries:

Agricultural Group

Food Group

Milling Division
730 2nd Ave. So.
Minneapolis, Minnesota 55402

Brownberry Ovens
One Meadow Road
Oconomowoc, Wisconsin 53066
(414) 567-0301

Home Brands
4600 Lyndale Ave. N.
Minneapolis, Minnesota 55430
(612) 521-3648

Retail Group

Peavey Building Supplies
730 Second Ave. S.
Minneapolis, Minnesota 55402
(612) 370-7595

Fish Building Supply
Peavey Thunderbird Stores

Northwest Fabrics
2709 Mondovi Road
Eau Claire, Wisconsin 54701
(715) 834-9551

U.S. Floor Systems, Inc.
911 North West Street
Raleigh, North Carolina 27603
(919) 782-0101

Wheelers Stores
New West Highway 30
Grand Island, Nebraska 68801
(308) 384-7800

Peavey Research Center
11 Peavey Road
Chaska, Minnesota 55318
(612) 448-3113

Transfer Agent(s):

Northwestern National Bank
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PEVY (NASDAQ)

Number of Stores: (at fiscal year end)

	Building Supply	Fabrics	Farm & Ranch Stores including Canadian
1979	52	62	94
1978	53	60	90
1977	54	56	85
1976	54	63	66
1975	49	54	19

Sales and Earnings

	Net Sales	Net Income #
1979	$594,430,000	$ 17,940,000
1978	522,872,000	13,918,000
1977	494,306,000	9,310,000
1976	505,822,000	15,645,000
1975	467,612,000	15,203,000

	No. of Com. Shares †	Earn. per Share #†
1979	5,649,000	$3.14
1978	5,711,000	2.40
1977	5,690,000	1.60
1976	5,657,000	2.73
1975	5,591,000	2.68

Including extraordinary gain of $1,621,000 ($0.29 per share) in 1979.
† Based on average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Agricultural group	$117,690	20%	$106,905	20%
Food group	287,804	48	248,436	48
Retail group	188,936	32	167,531	32
Total	$594,430	100%	$522,872	100%

### Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.90	—	—
1978	0.84	—	—
1977	0.815	—	—
1976	0.722	—	3-for-2 #
1975	0.65	—	—

In the form of a 50% stock dividend.
+ Adjusted to reflect stock split.

### Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$137,188,000	$24.90
1978	127,179,000	22.58
1977	118,130,000	21.07
1976	112,851,000	20.32
1975	102,263,022	18.29

‡ After allowing for preferred stock at par value

Income Account

Year ended July 31	1979	1978
Net sales	$594,430,000	$522,872,000
Cost of sales	482,942,000	430,920,000
Expenses	64,495,000	55,789,000
Depreciation & amortization	9,353,000	7,808,000
Minority interest	91,000	34,000
Interest expense	12,430,000	7,603,000
Income before taxes	$ 25,119,000	$ 20,718,000
Income taxes	8,800,000	6,800,000
Net Income	$ 16,319,000	$ 13,918,000
Extraord. gain	1,621,000	
Net Income & Extraord. gain	$ 17,940,000	$ 13,918,000

Assets

As of July 31	1979	1978
Cash	$ 8,612,000	$ 822,000
Segregated funds	3,079,000	1,955,000
Receiv., net	79,213,000	61,170,000
*Inventories	208,627,000	136,207,000
Other assets	2,827,000	2,569,000
Current Assets	$302,358,000	$202,723,000
# Fixed assets	123,325,000	117,839,000
Other assets	4,681,000	7,829,000
Total Assets	$430,364,000	$328,391,000

Liabilities

Notes payable	$116,915,000	$ 43,100,000
Long-term debt, curr.	2,316,000	2,266,000
Accts. payable	70,188,000	53,676,000
Accruals	14,937,000	12,737,000
Income taxes	6,579,000	6,820,000
Curr. Liabilities	$210,935,000	$118,599,000
Long-term debt	66,476,000	68,221,000
Minority interest	1,967,000	1,943,000
Deferred inc. taxes	8,198,000	6,849,000
+ Preferred stock	5,600,000	5,600,000
+ + Common stock	14,338,000	14,338,000
Add. paid-in capital	2,087,000	2,331,000
Retained earnings	125,267,000	112,625,000
Treasury stock	(4,504,000)	(2,115,000)
Total Liabilities & Shareholders' Equity	$430,364,000	$328,391,000

* At lower of cost (FIFO) or market; grain inventories at market price.
# Less accumulated depreciation.
+ $100 par value.
+ + $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.23	3.96
%Net Income to Sales	2.75	2.66
%Net Income to Equity	11.43	10.48
Sales to Inventories	2.85	3.84
Working Capital	$ 91,423,000	$ 84,124,000
Current Ratio	1.43	1.71
Shareholders' Equity	$142,788,000	$132,779,000

Penn Traffic Company

319 Washington Street
Johnstown, Pennsylvania 15901
(814) 536-4411

Officers: Guido Malacarne, president & chief executive officer; Carl F. Kopp, sr. v.p. & treasurer; Robert A. Allen, Raymond J. Heath, Richard P. Reading, vice presidents; John M. Kriak, secretary & asst. treasurer; Ollie F. Smith, Carl C. Denhard, Frederick R. Beck, asst. secretaries.

Directors: William O. Ames, G. Fesler Edwards, Guido Malacarne, Lawrence H. Parrott, Howard M. Picking III, J. David Quinn, Richard P. Reading, Carl F. Kopp, H.J. Zoffer, P. S. Holmquest, Roffin J. Reading, Jr.

Business Activities: Operates department stores under the name Penn Traffic, food markets under the name Riverside Supermarkets, Bi-Lo Supermarkets and Quality Supermarkets.

Divisions:

Department Store Division
Dairy Division
Johnstown, Pennsylvania

Supermarket Division
DuBois, Pennsylvania

Subsidiaries:

Riverside and Bi-Lo Supermarkets
Route 255 and Shaffer Road
DuBois, Pennsylvania 15801
(814) 371-5700

Johnstown Sanitary Dairy
408 Franklin Street
Johnstown, Pennsylvania 15901
(814) 536-7551

Penn Traffic Department Stores
319 Washington Street
Johnstown, Pennsylvania 15901
(814) 536-4411

Quality Markets, Inc.
101 Jackson Avenue W.E.
Jamestown, New York 14701
(716) 664-6010

Transfer Agent(s):

United States National Bank
Johnstown, Pennsylvania

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: PNF

Number of Stores: (at fiscal year end)

	Food Markets	Dept. Stores
1980	67	6
1979	64	6
1978	61	6
1977	58	7
1976	56	6

Sales and Earnings

	Net Sales‡	Net Income +
1980	$375,573,000	$ 6,463,000
1979*	330,225,000	5,933,000
1978	285,951,000	4,477,000
1977	249,375,000	5,031,000
1976	226,323,000	4,611,000

	No. of Com. Shares #	Earn. per Share # +
1980	2,135,921	$3.03
1979*	2,135,269	2.78
1978	2,134,433	2.10
1977	2,170,610	2.32
1976	2,291,125	2.01

* 53 weeks.
‡ Including leased departments and service fees.
+ Including extraordinary change of $262,000 ($0.14 per share) in 1978.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.

Revenues By Line of Business

	1980	1979	1978	1977
Supermarkets	86%	85%	83%	81%
Department stores	7	8	10	12
Dairy	7	7	7	7
Total	100%	100%	100%	100%

### Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.10	—	—
1979	0.90	—	—
1978	0.78	—	2-for-1
1977	0.58	15%	—
1976	0.45	—	—

+ Adjusted to reflect stock dividend and stock split.

### Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 44,031,000	$20.61
1979	39,918,000	18.69
1978	36,008,000	16.87
1977	33,119,000	15.52
1976	31,504,000	13.76

+ Adjusted to reflect stock dividend and stock split.

Income Account*
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 375,573	$ 330,225
Other income	1,310	1,284
Total income	$ 376,883	$ 331,509
Cost of sales	302,306	264,458
Expenses	61,307	54,003
Interest expense	1,561	1,314
Income before taxes	$ 11,709	$ 11,734
Income taxes	5,246	5,801
Net Income	$ 6,463	$ 5,933

* Included in Costs and Expenses, Depreciation and Amortization: $5,008,000 in 1979 and $4,336,000 in 1978.

Penn Traffic Company

Assets

As of	2/2/80	2/3/79
Cash	$ 3,994,000	$ 8,272,000
Accts. receiv., net	7,370,000	6,580,000
*Inventories	22,096,000	19,685,000
Prepaid expenses	214,000	159,000
Current Assets	$ 33,674,000	$ 34,696,000
Marketable secur. & bonds	170,000	171,000
†Oblig. under cap. lease	15,985,000	14,852,000
≠Fixed assets	34,918,000	25,240,000
Defer. charges	94,000	103,000
Total Assets	$ 84,841,000	$ 75,062,000

Liabilities

Notes payable	$ 228,000	$ 184,000
Mortgage notes payable, curr.	213,000	155,000
Current portion of oblig. under cap. leases	1,119,000	1,005,000
Accts. payable	12,966,000	10,741,000
Accruals	1,668,000	915,000
Accrued payroll	1,618,000	1,442,000
Reserve for taxes	1,737,000	3,122,000
Defer. income taxes	661,000	517,000
Curr. Liabilities	$ 20,210,000	$ 18,081,000
Oblig. under cap. leases	17,566,000	16,268,000
Mortgage notes payable, non-curr.	2,239,000	117,000
Deferred inc. taxes	795,000	678,000
+Common stock	2,864,000	2,864,000
Add. paid-in capital	5,172,000	5,172,000
Retained earnings	38,158,000	34,045,000
Treasury stock	(2,163,000)	(2,163,000)
Total Liabilities & Shareholders' Equity	$ 84,841,000	$ 75,062,000

* At lower of cost or market.
≠ Less accumulated depreciation.
† Less accumulated amortization.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.12	3.55
%Net Income to Sales	1.72	1.80
%Net Income to Equity	14.68	14.86
Sales to Inventories	17.00	16.78
Working Capital	$ 13,464,000	$ 16,615,000
Current Ratio	1.67	1.92
Shareholders' Equity	$ 44,031,000	$ 39,918,000

J. C. Penney Company, Inc.

1301 Avenue of the Americas
New York, New York 10019
(212) 957-4321

Officers: Donald V. Seibert, chairman of the board; Walter J. Neppl, president; Kenneth S. Axelson, David F. Miller, William R. Howell, David F. Miller, sr. vice presidents; Albert W. Driver, Jr., v.p., secretary & general counsel; Robert E. Northam, v.p. & controller; Galen R. Hogenson, Robert B. Gill, A. Howard Amon, Jr., Francis J. Depkovich, William R. Johnson, Ted L. Spurlock, John F. Tierney, Paul R. Kaltinick, Howard M. Evans, Paul A. Feaman, Ralph B. Henderson, Oscar J. Hunter, Robert Capone, Arthur Jacobsen, George M. Stone, Thomas J. Lyons, Stanley J. Putman, vice presidents; regional vice presidents: Wilburn L. Morris, Eastern Region, Charles R. Steinforth-Central Region, John A. Wells-Southeast, John C. Morgenson, Southwest, Allan R. Johnson-Western Region; Clifford D. Anderson, Charles L. Brown, J. Alan Ofner, Eugene F. Rowan, Satenig S. St. Marie, divisional vice presidents; Paull F. Hubbard, treasurer; Archibald E. King, Jr., J. David Silvers, Cornelius T. Dorans, asst. secretaries; John B. Hebard, William B. Baxter, asst. treasurers; Robert O. Amick, Donald F. Herbst, asst. controllers.

Directors: Louis L. Avner, Kenneth S. Axelson, William M. Batten, William M. Ellinghaus, Jack B. Jackson, Marshall S. Armstrong, Boris Yavitz, Walter B. Wriston, Walter J. Neppl, Donald V. Seibert, Vernon E. Jordan, Jr., Juanita M. Kreps, Oscar L. Dunn, Edward J. Mortola, Jane C. Pfeiffer.

Business Activities: Operates a nationwide chain of department stores including catalog operations under the name J. C. Penney; full line Penney stores, which average 87,000 square feet of net selling space, sell lines of apparel, home and automotive merchandise. Soft line Penney stores, which average 13,000 square feet of net selling space, sell principally apparel and household textile merchandise; discount-type department stores operated under the name of The Treasury; a chain of Thrift Drug stores and The Treasury Drug Centers; also conducts consumer financial services. Has expanded its retail operations to Europe, with stores in Belgium.

Subsidiaries:

J. C. Penney Properties, Inc.
J. C. Penney Financial Corporation
J. C. Penney Insurance Company
J. C. Penney Life Insurance Company
J. C. Penney Europe, Inc.
Sarma, S.A. (Belgium)
Great American Reserve Insurance Company (96.8% owned)
J. C. Penney Investors Services, Inc.
JCP Realty, Inc.
J. C. Penney International Finance Corporation
Sarma-Penney Ltd.
J. C. Penney International, Inc.
J.C. Penney Overseas Finance N.V.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

J.C. Penney Company, Inc.
Securityholder Services
4301 Lancaster Pike
P.O. Box 3940
Wilmington, Delaware 19807

Stock Exchange(s): New York, Brussels, Antwerp

Ticker Symbol: JCP

Number of Stores: (at fiscal year end)

	Penney Stores	Treasury Stores	Catalog Centers	Drug Stores	Belgian Stores
1980	1,683	34	1,820	351	77
1979	1,683	37	1,622	335	78
1978	1,686	37	1,506	299	78
1977	1,681	37	1,442	271	78
1976	1,651	37	1,363	259	79

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 11,274,000	$ 244,000
1979	10,845,000	276,000
1978	9,369,000	290,000
1977	8,354,000	219,000
1976*	7,678,600	181,000

	No. of Com. Shares	Earn. per Share ‡
1980	69,000,000	$3.52
1979	67,000,000	4.12
1978	65,000,000	4.43
1977	63,700,000	3.44
1976*	60,000,000	3.01

* 53 weeks.
‡ Based on average number of shares outstanding.

Revenues by Line of Business
(000's)

	1980	1979
J.C. Penney Stores:		
Full line	$ 6,785,000	$ 6,562,000
Soft line	2,537,000	2,516,000
The Treasury Stores	418,000	409
Belgian Stores	861,000	768,000
Drug stores	409,000	348,000
Catalog	1,455,000	1,212,000
Catalog sales centers	(1,191)	(970,000)
Total	$ 11,274,000	$ 10,845,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.76		
1979	1.76		
1978	1.48		
1977	1.28		
1976	1.16		

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 2,520,000	$36.16
1979	2,357,000	34.92
1978	2,118,000	32.19
1977	1,873,000	29.11
1976	1,669,000	27.53

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 11,274,000	$ 10,845,000
Cost of sales	8,005,000	7,650,000
Expenses	2,632,000	2,522,000
Interest expense	254,000	208,000
Income before taxes	$ 383,000	$ 465,000
Income taxes	166,000	212,000
Minority interest	(27,000)	(23,000)
Net Income	$ 244,000	$ 276,000

* Included in Costs and Expenses. Depreciation and Amortization: $135,000 in 1979 and $119,000 in 1978.

Assets

As of	1/26/80	1/27/79
Cash	$ 99,000	$ 78,000
Accts. receiv., net	665,000	467,000
*Inventories	1,749,000	2,046,000
Prepaid expenses	118,000	101,000
Current Assets	$ 2,631,000	$ 2,692,000
Investments	579,000	498,000
≠Fixed assets	1,823,000	1,609,000
Other assets	44,000	34,000
Total Assets	$ 5,077,000	$ 4,833,000

Liabilities

Accts. payable	$ 1,084,000	$ 1,077,000
Dividends payable	31,000	30,000
Income taxes	41,000	45,000
Defer. credits	466,000	404,000
Curr. Liabilities	$ 1,622,000	$ 1,556,000
Long-term debt	836,000	841,000
Deferred credits	99,000	79,000
+Common stock	783,000	744,000
Reinvested earnings	1,737,000	1,613,000
Total Liabilities & Shareholders' Equity	$ 5,077,000	$ 4,833,000

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.40	4.29
%Net Income to Sales	2.16	2.54
%Net Income to Equity	9.68	11.71
Sales to Inventories	6.45	5.30
Working Capital	$ 1,009,000	$ 1,136,000
Current Ratio	1.62	1.73
Shareholders' Equity	$ 2,520,000	$ 2,357,000

Pennington's Stores Limited

40 Samor Road
Toronto, Ontario M6A 1J6
(416) 787-4973

Officers: William Drevnig, president; Albert Sherman, v.p. & secretary; Sol Armel, exec. v.p.; Jack Sherman, v.p.; Emanuel Asher, v.p.-retail operations; William Farewell, treasurer.

Directors: Sol Armel, Donald Carr, William Drevnig, Albert Sherman, Jack Sherman, Mark Vansittart.

Business Activities: Operates a chain of stores selling women's apparel in Canada and the U.S.

Transfer Agent(s):

The Canada Trust Company
110 Yonge Street
Toronto, Canada M5C 1T4

Stock Exchange(s): Toronto

Ticker Symbol: PNS

Number of Stores: (at fiscal year end)

1979	96	1976	71
1978	87	1975	65
1977	81		

Sales and Earnings

	Net Sales	Net Income
1979	$ 36,245,000	$ 2,645,000
1978*	33,037,000	3,284,000
1977	28,805,000	2,645,000
1976	27,177,000	2,649,000
1975	22,882,000	2,649,000

	No. of Com. Shares	Earn. per Share
1979	4,063,000	$0.60
1978*	4,062,106 +	0.80 +
1977	4,062,106 +	0.65 +

* 53 weeks
+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.38	—	—
1978	0.334	—	2-for-1
1977	0.229	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 11,893,969 +	$2.93
1978	11,011,803 +	2.71‡

+ After allowing for preferred stock at redemption value.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 36,245,065	$ 33,037,255
Cost of sales & expense	30,810,034	26,640,127
Depreciation	663,740	549,131
Invest. income	(396,227)	(331,253)
Loss (gain) on for curr. trans.	126,100	(66,724)
Income before taxes	$ 5,041,418	$ 6,245,974
Income taxes	2,396,000	2,962,000
Net Income	$ 2,645,418	$ 3,283,974

Assets

As of	2/2/80	2/3/79
Cash	$ 4,287,858	$ 5,424,790
*Inventories	6,285,969	6,155,948
Prepaid expenses & sundry assets	674,800	688,041
Current Assets	$ 11,248,627	$ 12,268,779
≠Fixed assets	4,700,605	3,578,289
Intangibles	947,089	947,089
Total Assets	$ 16,896,321	$ 16,794,157

Liabilities

Accts. payable & accruals	$ 2,012,529	$ 2,219,504
Deferred inc. taxes		181,375
Income taxes	124,967	492,147
Curr. Liabilities	$ 2,137,496	$ 2,893,026
Deferred inc. taxes	171,800	172,197
+ Preferred stock	1,414,665	1,427,312
+ Common stock	1	1
Retained earnings	13,172,359	12,301,621
Total Liabilities & Shareholders' Equity	$ 16,896,321	$ 16,794,157

* At lower of average cost or market (net realizable value, less normal profit margin.)
≠ Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	13.91	18.91
%Net Income to Sales	7.30	9.94
%Net Income to Equity	18.14	23.92
Sales to Inventories	5.77	5.37
Working Capital	$ 9,111,131	$ 9,375,753
Current Ratio	5.26	4.24
Shareholders' Equity	$ 14,587,025	$ 13,728,934

Peoples Drug Stores, Incorporated

6315 Bren Mar Drive
Alexandria, Virginia 22312
(703) 750-6100

Officers: Adrian C. Israel, chairman of the board; Sheldon W. Fantle, president & chief executive officer; Robert M. Arensmeyer, sr. v.p.-finance & treasurer; Leonard Barkan, Edward Schuman, sr. v.p.'s; James M. Kane, David Forman, Joseph Pollard, Richard Schuman, Stephen Schuman, Nicholas J. Simon, v.p.'s; David Eisenberg, v.p.-marketing; Jerry V. Wilson, v.p.-security; James N. Schwarz, gen. counsel & secretary; William R. Jones, M. Robert Phares, asst. treasurers; Donnell R. Fullerton, asst. gen. counsel & asst. secretary; Mary M. Mahon, asst. secretary.

Directors: Adrian C. Israel, chairman; Robert M. Arensmeyer*, Leonard Barkan*, George B. Burrus, Douglas D. Drysdale, Sheldon W. Fantle*, Barry W. Gray*, James M. Kane, W. Jarvis Moody, Edward Schuman, C. Howard Hardesty, Jr.

* Member of Executive Committee

Business Activities: Operates a chain of retail drug stores in Maryland, Ohio, Pennsylvania, Virginia, Washington, D.C., North Carolina, Georgia, Alabama, Tennessee, West Virginia, Indiana, Iowa, Illinois and Kentucky.

Divisions & Subsidiaries:

- Peoples Group
  - Peoples Drug Stores
  - Peoples Service Drug Stores

- Peoples' Indiana Group
  - Haag Drug Stores

- Peoples' Ohio Group
  - Lane Discount Drug Stores

- Peoples' Georgia Group
  - Reed Drug Stores
  - Lee Drug Stores

- Health Mart Group
  - Health Mart

Acquisition(s):

B.H. Krueger
Fair Lawn, New Jersey

Manufactures cosmetics and health and beauty aids, including powders, aftershaves, colognes, lotions and fragrances.

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York

American Security Bank, N.A.
Washington, D.C.

Stock Exchange(s): New York, Philadelphia

Ticker Symbol: PDG

Number of Stores: (at fiscal year end)

1979	399	1976	378
1978	377	1975	248
1977	375		

Sales and Earnings

	Net Sales	Net Income ≠
1979	$441,114,000	$ 6,457,000
1978*	404,430,000	5,521,000
1977	366,020,000	4,548,000
1976	344,234,000	4,343,000

	No. of Com. Shares +	Earn. per Share ≠ +
1979	3,652,707	$1.77
1978	3,625,685	1.52
1977	3,649,264	1.25
1976	3,669,946	1.18

* 53 weeks
≠ Including extraordinary gain of $559,000 ($.15 per share) in 1976.
+ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.24	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—

Peoples Drug Stores, Incorporated

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 46,917,000	$12.84
1978	40,863,000	11.27
1977	36,012,000	9.87

‡ Based on the weighted average number of shares outstanding.

Income Account*

Year ended	9/29/79	9/30/78 (53 weeks)
Net sales	$441,114,000	$404,430,000
Cost of sales	337,261,000	309,141,000
Expenses	89,361,000	83,079,000
Interest expense	3,590,000	3,105,000
Income before taxes	$ 10,902,000	$ 9,105,000
Income taxes	4,445,000	3,584,000
Net Income	$ 6,457,000	$ 5,521,000

* Included in Costs and Expenses. Depreciation and Amortization: $3,034,000 in 1979 and 2,383,000 in 1978.

Assets

As of	9/29/79	9/30/78
Cash	$ 2,815,000	$ 3,260,000
Accts. receiv., net	5,693,000	4,407,000
* Inventories	88,417,000	89,699,000
Other assets	2,240,000	1,805,000
Current Assets	$ 99,165,000	$ 99,171,000
# Fixed assets	24,589,000	18,535,000
Other assets	1,231,000	913,000
Total Assets	$124,985,000	$118,619,000

Liabilities

Notes payable & long-term debt, curr.	$ 3,675,000	$ 4,885,000
Accts. payable	36,161,000	37,097,000
Accruals	6,934,000	5,302,000
Accrued payroll	3,583,000	3,314,000
Income taxes	747,000	1,998,000
Curr. Liabilities	$ 51,100,000	$ 52,596,000
Long-term debt	26,968,000	25,160,000
+ Common stock	3,673,000	3,670,000
Add. paid-in capital	17,852,000	17,630,000
Retained earnings	25,392,000	19,812,000
Treasury stock	—	(249,000)
Total Liabilities & Shareholders' Equity	$124,985,000	$118,619,000

* At cost (which is lower than market) at LIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.47	2.25
%Net Income to Sales	1.46	1.37
%Net Income to Equity	13.76	13.57
Sales to Inventories	4.99	4.51
Working Capital	$ 48,065,000	$ 46,575,000
Current Ratio	1.94	1.89
Shareholders' Equity	$ 46,917,000	$ 40,863,000

Peoples Jewellers Limited

181 Yonge Street
Toronto, Ontario, Canada
(416) 366-2281

Officers: Bertrand Gerstein, chairman of the board; Marvin Gerstein, vice chairman; Irving R. Gerstein, president; James T. Roddy, v.p.-finance & corporate development; Alan W. Southard, v.p.-corporate services; Frederick E. Metter, v.p.-merchandising; Donald E. Bridgman, v.p.-store planning; Derek C. Penney, v.p.-store operations; Phyllis McAllister, secretary.

Directors: Bertrand Gerstein, chairman; Marvin Gerstein, Irving R. Gerstein, Robert A. Kingston, Sydney M. Hermant, Phyllis McAllister.

Business Activities: Operates a chain of jewelry stores in Canada and in the United States. Stores operate under the names: Peoples Jewellers, Mappin's, Gordon Jewellers and McKenzie's in Canada and Schubachs, Samuels and Barons in the United States.

Transfer Agent(s):

Guaranty Trust Company of Canada
88 University Avenue
Toronto, Ontario, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol(s):

PCJM (Montreal)
PCJT (Toronto)
PCJN (Montreal, Class A)
PCJQ (Toronto, Class A)

Number of Stores: (at fiscal year end)

1979	263	1976	221
1978	248	1975	188
1977	229		

Sales and Earnings

	Net Sales	Net Income
8/31/79	$104,838,000	$ 7,655,000
8/31/78	85,268,000	5,317,000
8/31/77	75,459,000	3,637,000
1/31/77	73,031,319	3,831,142
1/31/76	59,506,560	3,640,717

	No. of Com. Shares	Earn. per Share ‡
8/31/79	3,356,066	$2.34
8/31/78	3,063,920	1.74
8/31/77	3,057,400	1.20
1/31/77	3,023,960	1.27
1/31/76	3,012,140	1.20

‡ Based on the weighted average number of Class A and common shares outstanding combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
8/31/79	$0.46†	—	—
8/31/78	0.36	—	—
8/31/77	0.32	—	—
1/31/77	0.275	—	—
1/31/76	0.20	—	—

† A special dividend of $1.25 was paid to all shareholders in addition to regular cash dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
8/31/79	$ 36,112,000	$10.76
8/31/78	30,195,000	9.86
8/31/77	25,929,000	8.48
1/31/77	26,021,231	8.61
1/31/76	22,986,298‡	7.63

‡ After allowing for preferred stock at par value.
+ Based on the weighted average number of Class A and common shares outstanding combined.

Income Account
(000's)

Year ended Aug. 31	1979	1978
Net sales	$ 104,838	$ 85,268
Cost of sales & exp.	84,976	71,724
Depreciation & amortization	3,202	2,320
Interest expense	2,598	1,599
Income before taxes	$ 14,062	$ 9,625
Income taxes	6,500	4,326
Minority interest	(93)	(18)
Net Income	$ 7,655	$ 5,317

Assets
(000's)

As of Aug. 31	1979	1978
Cash	$ 3,403	$ 78
Accts. receiv., net	562	448
*Inventories	61,373	49,913
Prepaid expenses	527	704
Current Assets	$ 65,865	$ 51,143
Investments	433	430
Loan to employees	553	504
# Fixed assets	21,754	20,995
Deferred foreign exchange	315	190
Total Assets	$ 88,920	$ 73,262

Liabilities
(000's)

Bank indebtedness	$ 12,761	$ 9,059
Long-term debt, curr.	3,974	505
Accts. payable	10,642	11,828
Income & other taxes	3,699	4,445
Curr. Liabilities	$ 31,076	$ 25,837
Long-term debt	20,630	15,935
Deferred inc. taxes	1,100	1,200
Minority interest	2	95
+ Class A common stock	5,574	1,959
+ Common stock	84	84
Retained earnings	30,454	28,152
Total Liabilities & Shareholders' Equity	$ 88,920	$ 73,262

* At lower of cost (retail inventory method) or net realizable value.
# Less accumulated depreciation.
+ No par value; Class A stock is convertible.

Statistical Summary

%Income bef. Taxes to Sales	13.41	11.29
%Net Income to Sales	7.30	6.24
%Net Income to Equity	21.20	17.61
Sales to Inventories	1.71	1.71
Working Capital	$ 34,789,000	$ 25,306,000
Current Ratio	2.12	1.98
Shareholders' Equity	$ 36,112,000	$ 30,195,000

The Pep Boys-Manny, Moe & Jack

Thirty Second Street and Allegheny Avenue
Philadelphia, Pennsylvania 19132
(215) 229-9000

Officers: Benjamin Strauss, chairman of the board & president; Morton A. Krause, Charles Chase, Robert P. Strauss, vice presidents; Mitchell G. Liebowitz, v.p.-finance; Lester Rosenfeld, vice president & secretary; Lawrence Rothberg, treasurer; Samuel W. McGarvey, asst. v.p.; Scott I. Rosen, Laverne G. Hennessey, Philip Adcock, Stuart Rosenfeld, asst. secretaries.

Directors: Edward H. Rosen, Lester Rosenfeld, Charles Chase, Maurice L. Strauss, Robert P. Strauss, Benjamin Strauss, Morton A. Krause.

Business Activities: Operates auto supply and accessory stores in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, North Carolina, California, the District of Columbia and Arizona.

Transfer Agent(s):

The Philadelphia National Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: PBY

Number of Stores: (at fiscal year end)

1980	101	1977	106
1979	106	1976	109
1978	107		

Sales and Earnings

	Net Sales	Net Income
1980	$181,946,904	$ 6,294,272
1979	155,430,115	5,467,070
1978	132,572,522	4,009,515
1977	115,742,789	3,550,086
1976	100,985,109	3,222,004

	No. of Com. Shares	Earn. per Share +
1980	* 1,108,187	$5.68
1979	1,045,734	4.93
1978	986,894	3.62
1977	931,354	3.20
1976	878,750	2.91

+ Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.99	6%	–
1979	0.93	–	
1978	0.87		–
1977	0.83		
1976	0.79		

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 48,173,631	$43.47
1979	42,979,654	38.78
1978	38,553,697	34.79
1977	35,523,911	32.06
1976	32,894,610	29.68

+ Adjusted to reflect stock dividends.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$181,946,904	$155,430,115
Other income	1,234,392	1,245,231
Total Income	$183,181,296	$156,675,346
Cost of sales	124,671,009	105,498,729
Expenses	44,249,730	38,288,290
Depreciation & amortization	1,994,812	1,662,984
Interest expense	262,473	348,273
Income before taxes	$ 12,003,272	$ 10,877,070
Income taxes	5,709,000	5,410,000
Net Income	$ 6,294,272	$ 5,467,070

Assets

As of Jan. 31	1980	1979
Cash	$ 565,689	$ 5,127,136
Accts. receiv., net	4,103,722	4,106,697
*Inventories	33,089,195	30,982,203
Prepaid expenses & other	363,898	371,576
Current Assets	$ 38,122,504	$ 40,587,612
Investments & advances	557,190	485,414
#Fixed assets	35,977,623	30,349,067
Total Assets	$ 74,657,317	$ 71,422,093

Liabilities

Long-term debt, curr.	$ 230,414	$ 305,808
Accts. payable	17,622,188	17,761,308
Accruals	4,767,461	5,707,858
Def. income taxes	1,847,380	1,952,380
Curr. Liabilities	$ 24,467,443	$ 25,727,354
Long-term debt	825,091	1,691,933
Defer. inc. taxes	1,191,152	1,023,152
+Common stock	1,108,187	1,045,734
Add. paid-in capital	7,329,961	5,735,536
Retained earnings	39,735,483	36,198,384
Total Liabilities & Shareholders' Equity	$ 74,657,317	$ 71,422,093

* At cost (LIFO) not in excess or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.60	7.00
%Net Income to Sales	3.46	3.52
%Net Income to Equity	13.07	12.72
Sales to Inventories	5.50	5.02
Working Capital	$ 13,655,061	$ 14,860,258
Current Ratio	1.56	1.58
Shareholders' Equity	$ 48,173,631	$ 42,979,654

Perry Drug Stores, Inc.

5400 Perry Drive
P.O. Box 1957
Pontiac, Michigan 48056
(313) 334-1300

Officers: Jack A. Robinson, chairman of the board & president; Donald Fox, exec. vice president & chief operating officer; Allan Klein, sr. v.p.-merchandising; Mickey Kole, v.p.-store operations; Robert A. Shapiro, v.p.-professional affairs; Alvin Wander, v.p.-finance & treasurer; Kenton R. Allard, asst. v.p.-management development; Samuel R. Boulton, asst. v.p.-district manager; John P. Frazzini, asst. v.p.-data services; Fred L. Johnson, asst. v.p.-merchandising; Robert W. Ruwoldt, asst. v.p.-advertising; John G. Jarvis, asst. v.p.-pharmacy operations; Chris Dodge, asst. v.p.-personnel; James W. Bock, asst. v.p.-district manager; James H. Fowler, asst. v.p.-real estate; David Durkin, asst. v.p.-district manager; Edward Glick, asst. v.p.-district manager; William M. Krupka, asst. v.p.-corporate security; Lloyd Reuther, asst. v.p.-district manager; Frederick C. Seeley, v.p.-real estate; Robert M. Radner, secretary; David L. Sowa, asst. v.p. & controller; Eileen Williams, asst. v.p.-community relations & asst. secretary; Gene Swink, asst. v.p.-distribution.

Directors: Jack A. Robinson, chairman; Donald Fox, Robert M. Radner, Mickey Kole, Terence E. Adderley, Thomas O. Fox, C. Boyd Stockmeyer, Robert A. Shapiro, Samuel Frankel, John A. Bacon, Jr., Ross Wilhelm.

Business Activities: Operates a chain of retail drug stores in southeastern Michigan.

Transfer Agent(s):

The Detroit Bank & Trust Company
Detroit, Michigan

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PDRG (NASDAQ)

Number of Stores: (at fiscal year end)

1979	64	1976	41
1978	57	1975	38
1977	50		

Sales and Earnings

	Net Sales	Net Income
1979	$109,275,332	$ 2,500,605
1978	89,155,156	2,100,251
1977	69,750,044	1,708,358
1976	56,501,570	1,215,074
1975	47,936,500	741,765

	No. of Com. Shares‡	Earn. per Share‡
1979	1,545,881	$1.62
1978	1,237,115	1.70
1977	1,202,702	1.42
1976	1,200,583	1.01
1975	1,200,000	0.62

‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	–	–
1978	0.16	–	–
1977	0.12	–	–
1976	0.08	–	–

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ 16,738,805	$10.81
1978	14,527,467	9.40
1977	8,607,164	7.12
1976	7,019,171	5.84
1975	5,896,833	4.91

‡ Based on the weighted average number of common shares outstanding.

Income Account*

Year ended Oct. 31	1979	1978
Net sales	$109,275,332	$ 89,155,156
Other income	392,672	172,082
Total income	$109,668,004	$ 89,327,238
Cost of sales	75,915,824	62,394,379
Expenses	29,093,494	22,718,415
Interest expense	521,081	545,193
Income before taxes	$ 4,137,605	$ 3,669,251
Income taxes	1,637,000	1,569,000
Net Income	$ 2,500,605	$ 2,100,251

* Included in Costs and Expenses, Depreciation and Amortization: $881,429 in 1979 and $656,816 in 1978.

Assets

As of Oct. 31	1979	1978
Cash	$ 922,546	$ 503,775
Accts. receiv., net	1,373,905	683,208
*Inventories	21,796,693	19,073,168
Prepaid expenses	1,405,649	849,830
Current Assets	$ 25,498,793	$ 21,109,981
#Fixed assets	12,921,954	9,105,862
Intangibles & other assets	1,134,435	267,820
Total Assets	$ 39,555,182	$ 30,483,663

Liabilities

Notes payable	$ 3,000,000	$ –
Long-term debt, curr.	281,000	200,000
Accts. payable	10,826,079	8,613,790
Accruals	830,311	579,453
Income taxes	40,987	316,953
Curr. Liabilities	$ 14,978,877	$ 9,710,196
Long-term debt	2,372,500	5,705,000

Oblig. under cap. leases	4,639,000	
Deferred inc. taxes	826,000	541,000
+Common stock	77,402	77,267
Add. paid-in capital	6,529,932	6,510,177
Retained earnings	10,131,471	7,940,023
Total Liabilities & Shareholders' Equity	$ 39,555,182	$ 30,483,663

* At LIFO cost basis which is lower than market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.79	4.12
%Net Income to Sales	2.29	2.36
%Net Income to Equity	14.94	14.46
Sales to Inventories	5.01	4.67
Working Capital	$ 10,519,916	$ 11,399,785
Current Ratio	1.70	2.17
Shareholders' Equity	$ 16,738,805	$ 14,527,467

Petrie Stores Corporation

70 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 866-3600

Officers: Milton J. Petrie, chairman of the board; Hilda Kirschbaum Gerstein, president; Jean Roberts, sr. vice president-store operations; Dorothy Fink Stern, sr. vice president-merchandising; Robert Mandel, sr. vice president & secretary- treasurer; Bernard Apple, Jack Gibbons, Goodman Burstein, Robert Lind, S. Betty Kennedy, Jose M. Marotta-Lopez, Otello Palidora, Robert Sandberg, Dorothy Spencer, vice presidents; Rubin H. Marcus, Sidney J. Silberman, asst. secretaries.

Directors: Milton J. Petrie, chairman; Stanley H. Fuld, Peter B. Roll, Hilda Kirschbaum Gerstein, I. M. Kay, Robert Mandel, Jean Roberts, Dorothy Fink Stern, H. Fred Krimendahl II.

Business Activities: Operates clothing stores in 42 states, Puerto Rico, and the District of Columbia under the names Petrie's, Marianne, and Stuarts.

Transfer Agent(s):

Irving Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: PST

Number of Stores: (at fiscal year end)

1980	608	1977	373
1979	469	1976	332
1978	415		

Sales and Earnings

	Net Sales	Net Income
1980	$446,589,158	$ 51,663,816
1979	435,872,320	48,986,861
1978	382,874,002	41,514,483
1977	333,632,381	35,025,575
1976	277,822,039	27,791,293

	No. of Com. Shares †	Earn. per Share # †
1980	13,950,904	$3.67
1979	14,060,304	3.48
1978	14,060,304	2.95
1977	14,060,304	2.49
1976	14,060,304	1.98

Based on weighted average number of shares outstanding.
† Adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.75	—	
1979	1.55		
1978	1.30	—	2-for-1
1977	1.05	—	
1976	0.70		

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$204,167,844	$14.63
1979	180,456,652	12.83
1978	153,263,262	10.90
1977	130,023,376	9.25
1976	109,755,198	7.81

† Adjusted to reflect stock split.

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$446,589,158	$435,872,320
Other income	17,754,829	10,857,209
Total Income	$464,343,987	$446,729,529
Cost of sales	301,954,068	290,405,358
Expenses	64,649,103	57,893,310
Income before taxes	$ 97,740,816	$ 98,430,861
Income taxes	46,077,000	49,444,000
Net Income	$ 51,663,816	$ 48,986,861

* Included in Costs and Expenses, Depreciation and Amortization: $3,617,320 in 1980 and $2,844,146 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 2,358,442	$ 1,290,836
Marketable securities	120,647,092	136,580,613
Accts. receiv., net	1,444,264	1,842,554
*Inventories	34,951,496	36,622,701
Prepaid expenses & other assets	973,123	560,654
Current Assets	$160,374,417	$176,897,358
#Fixed assets	34,652,262	21,820,183
Other assets	52,975,152	15,834,124
Total Assets	$248,001,831	$214,551,665

Liabilities

Accts. payable	$ 14,162,812	$ 12,098,955
Accruals	13,142,982	10,730,597
Dividends payable	4,882,816	4,921,106
Income taxes	11,068,377	6,250,355
Curr. Liabilities	$ 43,256,987	$ 34,001,013
Deferred inc. taxes	577,000	94,000
+Common stock	14,060,304	14,060,304
Retained earnings	193,492,923	166,396,348
Treasury stock	(3,385,383)	—
Total Liabilities & Shareholders' Equity	$248,001,831	$214,551,665

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	21.89	22.58
%Net Income to Sales	11.57	11.24
%Net Income to Equity	25.30	27.15
Sales to Inventories	12.78	11.90
Working Capital	$117,117,430	$142,896,345
Current Ratio	3.71	5.20
Shareholders' Equity	$204,167,844	$180,456,652

Petrolane Incorporated

1600 East Hill Street
Long Beach, California 90806
(213) 427-5471

Mailing address:
P.O. Drawer 1410
Long Beach, California 90801

Officers: R.J. Munzer, chairman & chief executive officer; John C. Wallace, president & chief operating officer; B.B. Baldridge, financial v.p. & treasurer; William E. Linsenbard, v.p., secretary & general counsel; Thomas P. Moore, Jr., v.p.-admn.; John L. May, v.p.-corp. communications; Vincent S. Pino, controller; Frank Gore, asst. controller; J.C. Riddle, D.E. Gahry, asst. secretaries; Gina Mager, asst. treasurer.

Directors; C. Wheeler Coberly, R.J. Munzer*, Lowell Stanley*, Lavoy R. Stater, Edwin W. Taylor, Richard R. Von Hagen, F. Russell Wade*, John C. Wallace*, Charles D. Miller, Charles Wiese, K.C. Vaughan, P.E. Foote, Henry T. Segerstrom, James F. Montgomery.

* Member of Executive Committee.

Business Activities: Retail and wholesale distributors of liquified petroleum gas in 47 states, Canada, Mexico, Puerto Rico, Belgium and the Netherlands. Also provides onshore contract drilling and offshore services to the petroleum industry and management consulting services for the health care industry. Operates supermarkets in Southern California under the name Stater Bros. Markets. Operates a chain of drug stores in Los Angeles County under the name Disco Drug and Discount Center.

Divisions & Subsidiaries:

LP-Gas Division
    Petrolane Gas Service
    Lomita Gasoline Co.
    Texas Petro Gas Company
    Petrolane's Clean Air Centers
    Netherlands LP-gas
    Belgium LP-gas
    Puerto Rico LP-gas

Petroleum Services Division
    Seahorse, Inc.
    Eastman Whipstock, Inc.
    Brinkerhoff-Signal Drilling
    Fishing Tools, Inc.
    Drilling Tools, Inc.
    Signal Oilfield Service, Inc.
    P.T. Indonesia Air Transport (joint venture)

Consumer Products Division
    Stater Bros. Markets
    Petrolane Properties, Inc.
    Mark C. Bloome Co.
    Valley Industrial Services, Inc.
    Disco Drug
    Advanced Health Systems, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Security Pacific National Bank
Post Office Box 30376, Terminal Annex
Los Angeles, California 90030

Stock Exchange(s): New York, Pacific

Ticker Symbol: PTO

Number of Stores: (at fiscal year end)

1979	141	1976	118
1978	130	1975	108
1977	126		

Sales and Earnings‡

	Net Sales	Net Income‡
1979	$1,143,938,000	$ 60,217,000
1978	940,827,000	48,414,000
1977	852,915,000	40,989,000
1976	661,870,900	34,799,000
1975	587,855,000	29,539,000

	No. of Com. Shares‡	Earn. per Share # ‡
1979	25,095,000	$2.40
1978	25,034,000	1.93
1977	20,218,000	1.76
1976	19,468,000	1.52
1975	19,162,000	1.30

‡ Restated to reflect capitalization of leases.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978
LP-gas & related products	$ 350,186	$ 292,851
Petroleum services	254,755	213,290
Consumer products	538,997	434,686
Total	$ 1,143,938	$ 940,827

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.55	—	2-for-1
1978	0.47	—	—
1977	0.36	—	—
1976	0.29	—	—
1975	0.24	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$287,841,000	$11.47
1978	240,828,000	9.62
1977	192,626,000	9.53
1976	161,456,000	8.29
1975	135,569,000	7.07

Restated to reflect capitalization of leases.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended Sept. 30	1979	1978‡
Net sales	$ 1,143,938	$ 940,827
Cost of sales	767,825	633,128
Expenses	198,790	156,158
Depreciation & amortization	40,463	33,909
Interest expense	12,713	12,076
Taxes	18,524	15,901
Minority interests	517	161
Income before taxes	$ 105,106	$ 89,494
Income taxes	44,889	41,080
Net Income	$ 60,217	$ 48,414

‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of Sept. 30	1979	1978 ‡
Cash	$ 5,882	$ 12,343
Accts. receiv., net	105,756	85,424
*Inventories	104,187	86,859
Prepaid expenses	4,386	3,913
Current Assets	$ 220,211	$ 188,539
Investments	8,789	8,598
# Fixed assets	343,011	289,893
Other assets	1,440	1,430
Defer. charges	3,246	1,795
Intangibles	18,458	17,423
Total Assets	$ 595,155	$ 507,678

Liabilities
(000's)

Long-term debt, curr.	$ 7,971	$ 7,497
Accts. payable	76,705	55,353
Accruals	35,881	26,368
Income taxes	13,276	8,897
Curr. Liabilities	$ 133,833	$ 98,115
Long-term debt	145,178	148,173
Minority interest	2,961	1,022
Other liabilities & deferred credit	3,066	2,963
Deferred inc. taxes	22,276	16,577
+ Common stock	21,914	21,410
Earnings reinvested	265,927	219,418
Total Liabilities & Shareholders' Equity	$ 595,155	$ 507,678

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.19	9.51
%Net Income to Sales	5.26	5.15
%Net Income to Equity	20.92	20.10
Sales to Inventories	10.98	10.83
Working Capital	$ 86,378,000	$ 90,424,000
Current Ratio	1.65	1.92
Shareholders' Equity	$287,841,000	$240,828,000

Phillips-Van Heusen Corporation

1290 Avenue of the Americas
New York, New York 10019
(212) 541-5200

Officers: Seymour J. Phillips, chairman of the board; Lawrence S. Phillips, president; Robert F. Reilly, exec. vice president; Albert R. Bongiovi, v.p. & secretary; Bert G. Cox, Walter C. Zambrovitz, Stuart H. Green, Charles J. Smith, v.p.'s; William J. Bloom, treasurer.

Directors: Seymour J. Phillips*, chairman; Shirley Goodman Brown, Bert G. Cox, David L. Holzman, Lawrence S. Phillips*, Robert F. Reilly*, Eugene F. Roth, William S. Scolnick, Charles J. Smith, Steven L. Osterweis, Alfred P. Slaner, Edward I. Nagourney.

* Member of the Executive Committee.

Business Activities: Operates retail stores selling apparel and men's and boys' apparel manufacturing companies.

Divisions & Subsidiaries:

Retail Division
Kennedy's
  6 stores in Massachusetts and Rhode Island.

Hamburger's
  13 stores in Maryland, Pennsylvania and Delaware.

Rices Nachmans
  7 stores in Virginia.

Juster's
  7 stores in Minnesota.

Blake's
  6 stores in Connecticut and Massachusetts.

Harris & Frank
  34 stores in California, Nevada and Texas.

Manufacturing Divisions
The Van Heusen Company
Somerset Knitting Mills, Inc.
The Joseph & Feiss Company
PVH Sportswear Company
Men's Wear International, Inc.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: PVH

Number of Stores: (at fiscal year end)

1980	73	1977	106
1979	98	1976	108
1978	92		

Sales and Earnings

	Net Sales †	Net Income ‡
1980	$380,668,466	$ 7,704,502
1979	326,956,982	8,935,000
1978	331,871,342	(3,826,000)
1977	311,417,855	5,541,000
1976	295,817,040	5,094,000

	No. of Com. Shares	Earn. per Share ‡ +
1980	2,966,703	$2.48
1979	3,131,743	2.74
1978	3,304,356	—
1977	3,436,990	1.53
1976	3,674,616	1.35

(Loss)
† Includes operating revenues.
‡ Including extraordinary credits of $150,000 ($0.04 per share) in 1977 and $1,188,000 ($0.31 per share) in 1976.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Manufacturing	$ 271,991	$ 220,803
Retail	108,677	106,154
Total	$ 380,668	$ 326,957

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.60	—	—
1978	0.60	—	—
1977	0.55	—	—
1976	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 90,228,000	$30.41
1979	86,834,000	27.73
1978	82,319,000	24.91
1977	89,459,000	26.03
1976	88,348,000	24.04

Income Account*

Year ended Jan. 31	1980	1979
Net sales & rev.	$380,668,466	$326,956,982
Cost of sales	280,360,657	236,395,043
Expenses	82,450,513	71,753,149
Other income	(1,105,103)	(379,512)
Interest expense	7,375,394	2,958,059
Prov. for loss	2,300,497	—
Income before taxes	$ 13,887,502	$ 16,230,243
Income taxes	6,183,000	7,295,000
Net Income	$ 7,704,502	$ 8,935,243

* Included in Costs and Expenses, Depreciation and Amortization: $3,876,613 in 1980 and $3,728,285 in 1979.

Phillips-Van Heusen Corporation

Assets

As of Jan. 31	1980	1979
Cash	$ 5,459,603	$ 9,040,501
Receiv., net	65,828,646	54,345,030
*Inventories	102,419,883	95,793,332
Other assets	3,780,114	1,128,140
Current Assets	$177,488,246	$160,307,003
#Fixed assets	26,464,741	26,870,209
Leased prop. under cap. lease oblig.	9,241,256	11,273,580
Intangibles	4,129,105	4,140,356
Other assets	4,970,543	3,766,466
Total Assets	$222,293,891	$206,357,608

Liabilities

Bank acceptances pay.	$ 15,788,311	$ —
Long-term debt, curr.	2,480,834	2,479,045
Cap. lease oblig., curr.	1,033,181	1,008,425
Accts. payable	25,202,794	29,029,378
Accruals	17,561,176	22,072,415
Income taxes	4,569,965	3,604,947
Reserve for loss	2,795,000	2,158,328
Curr. Liabilities	$ 69,431,261	$ 60,352,538
Long-term debt	47,463,045	39,050,259
Cap. lease oblig.	13,292,294	12,079,934
Reserve for loss		6,392,800
Deferred inc. taxes	1,879,696	1,647,741
+Common stock	56,633,886	56,393,782
Add. paid-in capital	1,156,269	1,156,269
Retained earnings	51,816,996	45,949,639
Treasury stock	(19,379,556)	(16,665,354)
Total Liabilities & Shareholders' Equity	$222,293,891	$206,357,608

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.65	4.96
%Net Income to Sales	2.02	2.73
%Net Income to Equity	8.54	10.29
Working Capital	$108,056,985	$ 99,954,465
Current Ratio	2.56	2.66
Shareholders' Equity	$ 90,227,595	$ 86,834,336

Pic 'N Pay Stores, Inc.

P.O. Box 34000
10301 Old Monroe Road
Charlotte, North Carolina 28261
(704) 847-8871

Officers: Albert G. Segal, chairman of the board; Alvin E. Levine, president; Edward Karp, exec. v.p.; Charles E. Barnes, v.p.-advertising & promotion; Talmage Tyler, v.p.-store operations; Ken G. Braswell, v.p.-personnel; E. Alan Hoover, v.p.-management info. services; Chester L. Helt, v.p.-store planning & development; J. Robert Rhudy, v.p.-distribution; Betty S. Horton, treasurer; Byron M. Hudson, v.p. & controller; Maurice A. Weinstein, secretary.

Directors: Albert G. Segal, chairman; Alvin E. Levine; Charles Raper Jonas, R. Stuart Dickson.

Business Activities: Operates a chain of self-service shoe stores in the 13 states. The chain is comprised of self-standing stores; stores in shopping centers and malls; and leased shoe departments in major variety stores.

Transfer Agent(s):

North Carolina National Bank
Charlotte, North Carolina 28255

Stock Exchange(s): American

Ticker Symbol: PNP

Number of Stores*: (at fiscal year end)

1979	416	1976	310
1978	388	1975	261
1977	348		

* Includes leased outlets.

Sales and Earnings

	Net Sales †	Net Income
1979	$ 84,796,000	$ 5,459,000
1978	71,455,000	4,487,000
1977	59,994,000	4,077,000
1976	52,164,000	3,937,000
1975	40,885,328	2,881,874

	No. of Com. Shares	Earn. per Share #
1979	3,011,130	$1.82
1978	3,005,485	1.50
1977	2,981,750	1.37
1976	2,979,600	1.32
1975	2,980,200	0.97

† Includes leased departments.
# Based on the weighted average number of shares outstanding.

Revenues by Line of Business

	1979	1978
Women's shoes	41%	40%
Men's shoes	31	32
Children's shoes	19	19
Accessories	9	9
Total	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.26	—	—
1978	0.22	—	—
1977	0.20	—	—
1976	0.16	—	—
1975	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 28,532,000	$9.48
1978	23,832,000	7.93
1977	19,895,000	6.67
1976	16,402,000	5.50
1975	12,945,870	4.34

Income Account *

Year ended	6/30/79	6/24/78
Net sales	$ 84,796,000	$ 71,455,000
Other income	426,000	395,000
Total income	$ 85,222,000	$ 71,850,000
Cost of sales	43,400,000	36,906,000
Expenses	31,818,000	26,230,000
Income before taxes	$ 10,004,000	$ 8,714,000
Income taxes	4,545,000	4,227,000
Net Income	$ 5,459,000	$ 4,487,000

* Included in Costs and Expenses, Depreciation: $1,443,000 in 1979 and $1,149,000 in 1978.

Assets

As of	6/30/79	6/24/78
Cash	$ 941,000	$ 1,539,000
Marketable securities	3,984,000	1,000,000
Receiv., net	720,000	248,000
* Inventories	21,575,000	18,475,000
Prepaid expenses	372,000	270,000
Current Assets	$ 27,592,000	$ 21,532,000
# Fixed assets	15,958,000	12,640,000
Other assets	1,181,000	430,000
Total Assets	$ 44,731,000	$ 34,602,000

Liabilities

Long-term debt, curr.	$ 210,000	$ 298,000
Accts. payable	7,736,000	6,062,000
Accruals	1,437,000	1,429,000
Income taxes	400,000	289,000
Curr. Liabilities	$ 9,783,000	$ 8,078,000
Long-term debt	6,416,000	2,692,000
+ Common stock	301,000	301,000
Add. paid-in capital	59,000	36,000
Retained earnings	28,172,000	23,495,000
Total Liabilities & Shareholders' Equity	$ 44,731,000	$ 34,602,000

* At lower of cost (FIFO or retail method) or market.
# Less accumulated depreciation.
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	11.80	12.20
%Net Income to Sales	6.44	6.28
%Net Income to Equity	19.13	18.83
Working Capital	$ 17,809,000	$ 13,454,000
Current Ratio	2.82	2.67
Shareholders' Equity	$ 28,532,000	$ 23,832,000

Pic 'n' Save Corporation

2430 E. Del. Amo Boulevard
Carson, California 90744
(213)537-9220

Mailing Address:
P.O. Box 58667
Los Angeles, California 90058
(213)537-9220

Officers: William Zimmerman, chairman of the board; Arthur Frankel, president & chief executive officer; Bill M. Thomas, executive v.p. & chief financial officer; David Tepper, vice president; Arthur Borie, executive v.p. & chief operating officer; Kenneth Johnson, v.p.-store operations; Richard A. Frankel, Martin S. Tepper, asst. v.p.'s & merchandise managers.

Directors: William Zimmerman, chairman; Arthur Frankel, David Tepper, Lewis B. Merrifield III.

Business Activities: Operates a chain of self-service, cash-and-carry retail stores specializing in the discount sale of new "close-out" merchandise. Stores are located in California, Arizona, Nevada, New Mexico and Texas.

Transfer Agent(s):

Union Bank
3810 Wilshire Boulevard
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PICN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	65	1976	48
1978	56	1975	44
1977	51		

Sales and Earnings

	Net Sales	Net Income
1979	$ 85,325,000	$ 10,259,000
1978	63,363,000	6,917,000
1977	53,982,000	5,522,000
1976	43,591,000	4,592,000 #
1975	34,671,000	3,085,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	4,973,000	$2.06
1978	5,071,000	1.36
1977	5,063,000	1.09
1976	5,000,000	0.91 #
1975	5,000,000	0.62

Including extraordinary gain of $220,000 ($0.09 per share).
‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	—	2-for-1
1977	—	—	—
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 37,329,000	$7.51
1978	29,511,000	5.82
1977	22,576,000	4.46
1976	16,933,000	3.39
1975	12,306,000	2.46

‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 85,325	$ 63,363
Cost of sales	40,215	30,350
Expenses	24,513	18,753
Income before taxes	$ 20,597	$ 14,260
Income taxes	10,338	7,343
Net Income	$ 10,259	$ 6,917

* Included in Costs a[illegible]xpenses, Depreciation and Amortization: $767,00[illegible] 1979 and $630,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 20,683	$ 14,061
*Inventories	22,849	17,494
Other current assets	1,362	1,042
Current Assets	$ 44,894	$ 32,597
# Fixed assets	8,674	7,610
Other assets	163	183
Total Assets	$ 53,731	$ 40,390

Liabilities
(000's)

	1979	1978
Accts. pay. to shareholder	$ 2,580	$ —
Accts. payable	3,692	2,579
Accruals	3,981	3,233
Income taxes	3,905	2,980
Curr. Liabilities	$ 14,158	$ 8,792
Long-term debt	2,091	1,933
Deferred inc. taxes	153	154
+ Common stock	1,279	1,269
Add. paid-in capital	2,609	2,110
Retained earnings	36,391	26,132
Receiv. under exec. stock prods. plan	(2,950)	—
Total Liabilities & Shareholders' Equity	$ 53,731	$ 40,390

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.14	22.51
%Net Income to Sales	12.02	10.92
%Net Income to Equity	27.48	23.44
Sales to Inventories	3.73	3.62
Working Capital	$ 30,736,000	$ 23,805,000
Current Ratio	3.17	3.71
Shareholders' Equity	$ 37,329,000	$ 29,511,000

Pneumo Corporation

4800 Prudential Tower
Boston, Massachusetts 02199
(617) 262-9300

Officers: Gerald A. Fulham, chairman of the board and chief executive officer; James A. Wood, president; C.L. Pecchenino, exec. v.p.-finance & chief financial officer; A. Hennig, sr. v.p.; I.A. Schwartz, v.p.-food operations; Gerald G. Auerbach, v.p.-Aerospace & Industrial Operations; Lloyd E. Brumley, v.p. & controller; Robert T. Hicks, v.p. & treasurer; Joseph R. McCabe, v.p.-employee relations; John A. Staples, v.p.-financial planning; David W. Day, v.p.-corporate planning & services; Garry L. Davis, v.p.-mfg.; James L. Wilhite, v.p.; William J. Vesely, v.p., general counsel & secretary.

Directors: John L. Arnold*, Gerard A. Fulham*, Richard G. Maloney, Owen F. Walker*, James A. Wood*, Wendell G. Earle, Secor D. Browne, Harold S. Geneen, John C. Harding, III.

* Member of Executive Committee.

Business Activities: Owns and operates a chain of supermarkets and franchise stores in central New York State, Massachusetts, Vermont and New Hampshire; and a wholesale food business. The company designs and manufactures hydraulic, pneumatic, merchanical, electro-mechanical and electronic precision systems for aerospace, ordnance, marine and industrial uses.

Divisions & Subsidiaries:

Albany Products Division
145 Woodward Avenue
South Norwalk, Connecticut 06854
(203) 838-4371
Distributes standard and special industrial fasteners.

National Water Lift Division
2220 Palmer Avenue
Kalamazoo, Michigan 49001
(616) 345-8641
Designs and manufactures hydraulic, pneumatic, mechanical and electro-mechanical primary flight control systems for aircraft and missiles and jet engine controls.

Stillwater Associates Division
East Freetown, Massachusetts 02717
(617) 763-8044
Manufactures specialty stainless steel industrial fasteners.

P & C Food Markets, Inc.
P.O.Box 4965
Syracuse, New York 13221
(315) 457-9460
Owns and operates 99 P & C Supermarkets in New York State, Vermont, New Hampshire and Massachusetts, services a chain of 53 franchise supermarkets in New York and operates a wholesale food service in independent stores, restaurants and institutions in more than 100 New York state communities. Two modern distribution centers, one located at Syracuse, another at White River Junction, Vermont, service company-owned markets.

Claud S. Gordon Company
5710 Kenosha Street
Richmond, Illinois 60071
(815) 678-2211
Manufactures and distributes thermo-electric heat-sensing elements, thermocouple instruments, extension wire and accessories; resistance temperature detention sensors.

Cleveland Pneumatic Company
3781 East 77th Street
Cleveland, Ohio 44105
(216) 341-1700
Manufactures aircraft landing gears; functional and structural components for aerospace, missile, and marine applications.

Transfer Agent(s):

Ameri Trust Company
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): New York

Ticker Symbol: PNC

Number of Stores: (at fiscal year end)

	Co. Owned	Franchise
1979	96	54
1978	99	53
1977	101	57
1976	93	59
1975	94	58

Sales and Earnings ‡

	Net Sales †	Net Income
1979	$772,871,000	$ 10,035,000
1978	613,356,000	6,599,000
1977	559,092,000	9,069,000
1976	481,531,000	8,643,000
1975	453,198,000	7,363,000

	No. of Com. Shares	Earn. per Share #
1979	2,901,101	$3.33
1978	2,862,595	2.24
1977	2,681,257	3.27
1976	2,246,782	3.53
1975	2,109,073	3.13

‡ Restated to reflect capitalization of leases.
† Of continuing operations only; includes other income.
# Based on the average number of common shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Food	$ 558,579	$ 485,297
Aerospace/defense	199,288	115,310
Industrial products	14,079	12,098
Total	$ 771,946	$ 612,705

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.00	—	—
1978	1.00	—	—
1977	1.00	—	—
1976	0.90	—	—
1975	0.55	—	—

Common Stock Equity †

	Total Equity ‡	Equity Per Share
1979	$ 74,376,000	$25.64
1978	66,417,000	23.20
1977	57,939,000	21.61

† Restated to reflect capitalization of leases.
‡ After allowing for preferred stock $1 Series A and $4 Series B at redemption values of $25 and $100 per share respectively.

Income Account*
(000's)

Year ended No. 30	1979	1978 ‡
Net sales	$ 771,946	$ 612,705
Other income	925	651
Total income	$ 772,871	$ 613,356
Cost of sales	627,519	498,717
Expenses	120,903	99,925
Interest expense	9,056	4,930
Income before taxes	$ 15,393	$ 9,784
Income taxes	6,150	3,950
Income from cont. oper.	$ 9,243	$ 5,834
Income from discont. oper.	792	765
Net Income	$ 10,035	$ 6,599

* Included in Costs and Expenses, Depreciation and Amortization: $8,564,000 in 1979 and $6,943,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of Nov. 30	1979	1978
Cash	$ 11,882	$ 5,772
Short-term invest.	6,000	10,000
Accts. receiv., net	34,938	28,334
Contract costs	1,404	744
*Inventories	120,600	87,244
Prepaid expenses	1,381	872
Current Assets	$ 176,205	$ 132,966
# Fixed assets	83,259	62,337
Other assets	9,263	9,594
Total Assets	$ 268,727	$ 204,897

Liabilities
(000's)

Notes payable	$ 4,052	$ –
Long-term debt, curr.	4,851	3,761
Accts. payable	49,943	38,412
Accruals	13,367	5,145
Accrued payroll	8,365	6,541
Income taxes	5,252	81
Other taxes	1,978	1,652
Deferred inc. taxes	2,377	1,900
Curr. Liabilities	$ 90,185	$ 57,492
Long-term debt	70,871	50,601
Deferred inc. taxes	7,463	6,188
Other liabilities	23,022	20,480
+ Preferred stock:		
Series A $1 Cum. conv.	228	518
Series B $4 Cum. conv.	2,582	3,201
+ + Common stock	2,928	2,889
Add. paid-in capital	15,787	14,885
Retained earnings	55,860	48,842
Treasury stock	(199)	(199)
Total Liabilities & Shareholders' Equity	$ 268,727	$ 204,897

‡ Restated to reflect capitalization of leases.
* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	13.00	9.41
Sales to Inventories	6.40	7.02
Working Capital	$ 86,020,000	$ 75,474,000
Current Ratio	1.95	2.31
Shareholders' Equity	$ 77,186,000	$ 70,136,000

The Present Co., Inc.

82 St. Paul Street
Rochester, New York 14604
(716) 546-4190

Officers: Gordon S. Present, president; Robert E. Meagher, vice president; Beryl M. Present, v.p. & secretary; James R. Present, treasurer.

Directors: Gordon S. Present, Robert E. Meagher, Beryl M Present, James R. Present.

Business Activities: Operates catalog-showrooms in New York State.

Transfer Agent(s):

Security Trust Co.
1 East Avenue
Rochester, New York 14638

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PRST (NASDAQ)

Number of Units: (at fiscal year end)

1979	9	1976	8
1978	8	1975	6
1977	8		

Sales and Earnings

	Net Sales	Net Income
1979	$ 17,037,047	$ 90,694
1978	13,330,366	97,072
1977	10,877,174	159,971
1976	8,160,533	37,905
1975	7,781,208	(71,601)

	No. of Com. Shares	Earn. per Share†
1979	482,140	$0.19
1978	482,140	0.20
1977	482,140	0.33
1976	482,140	0.08
1975	483,893	–

(Loss)
† Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	–	–

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 2,649,415	$5.50
1978	2,574,956	5.34
1977	2,477,884	5.14
1976	2,317,913	4.81
1975	2,280,008	4.73

† Based on the weighted average number of common shares outstanding.

Income Account*

Year ended March 31	1979	1978
Net sales	$ 17,037,047	$ 13,330,366
Cost of sales	12,503,790	9,720,688
Expenses	4,345,673	3,309,229
Interest expense	165,444	99,112
Taxes	7,796	115,965
Income before taxes	$ 14,344	$ 85,372
Tax credit	(76,350)	(11,700)
Net Income	$ 90,694	$ 97,072

* Included in Costs and Expenses, Depreciation and Amortization: $89,182 in 1979 and $82,632 in 1978.

Assets

As of March 31	1979	1978
Cash	$ 151,735	$ 108,592
Accts. receiv., net	201,276	218,249
*Inventories	6,057,213	5,271,512
Prepaid expenses	70,495	55,955
Prepaid inc. taxes	54,898	88,917
Current Assets	$ 6,535,617	$ 5,743,225
# Fixed assets	634,139	463,309
Other assets	133,278	16,794
Total Assets	$ 7,303,034	$ 6,223,328

Liabilities

Notes payable	$ 2,350,000	$ 2,000,000
Accts. payable	1,770,818	1,178,130
Accruals	505,083	413,823
Curr. Liabilities	$ 4,625,901	$ 3,591,953
Deferred inc. taxes	27,718	56,419
+ Common stock	48,400	48,400
Add. paid-in capital	1,182,885	1,182,885
Retained earnings	1,420,455	1,345,996
Treasury stock	(2,325)	(2,325)
Total Liabilities & Shareholders' Equity	$ 7,303,034	$ 6,223,328

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.08	0.64
%Net Income to Sales	0.53	0.73
%Net Income to Equity	3.42	3.77
Sales to Inventories	2.81	2.53
Working Capital	$ 1,909,716	$ 2,151,272
Current Ratio	1.41	1.60
Shareholders' Equity	$ 2,649,415	$ 2,574,956

Pueblo International, Inc.

375 Park Avenue
New York, New York 10022
(212) 935-1710

Loiza Expressway
Corner of Campo Rico Avenue
Carolina, Puerto Rico 00630

Officers: Harold Toppel, chairman of the board; George Toppel, vice chairman; Manuel L. Vallecillo, president; Milton Toppel, v.p.; Joel A. Fenigstein, v.p.-finance; Peter Heilbrun, controller; Adrian Colon, treasurer; Robert Locke, secretary.

Directors: Harold Toppel*, William C. Lang*, George Toppel*, Milton Toppel*, Manuel I Vallecillo*, A. Michael Victory, Henry C. Rexach, Abraham Zaleznik, Guillermo Rodriguez-Benitez.

* Member of Executive Committee.

Business Activities: Operates Pueblo Supermarkets in Puerto Rico and the U.S. Virgin Islands. In Puerto Rico, the company also operates a bakery, three wholesale food outlets, two radio stations, four cash-and-carry retail food stores, one variety store and two retail donut shops. Also operates a bakery in Venezuela.

Division(s):

Pueblo Supermarkets Division
Holsum Baker Division
Caribe Food Division

Transfer Agent(s):

Chemical Bank
20 Pine Street
New York, New York 10005

Banco Popular de Puerto Rico
G.P.O. Box 2708
San Juan, Puerto Rico 00936

Stock Exchange(s): New York, Pacific

Ticker Symbol: PII

Number of Stores: (at fiscal year end)

1979	37	1976	92
1978	40	1975	104
1977	37		

Sales and Earnings

	Net Sales	Net Income
1980	$330,773,000	$ 4,033,000
1979	296,170,000	3,975,000
1978	335,679,555	2,308,000
1977	546,123,174	(15,968,255)
1976*	628,940,395	(5,746,980)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	4,541,000	$0.89
1979	4,532,000	0.88
1978	4,521,414	0.51
1977	4,519,186	—
1976*	4,519,186	—

(Loss)
* 53 weeks
‡ Based on weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 34,137,000	$7.52
1979	30,094,000	6.64
1978	26,067,000	5.77
1977	23,746,000	5.26
1976	40,597,861	8.98

Income Account

Year ended	1/26/80	1/27/79
Net sales	$330,772,699	$296,170,000
Cost of sales	248,685,663	223,130,000
Expenses	67,140,265	59,308,000
Depreciation & amortization	5,104,307	4,405,000
Interest expense	3,820,277	3,155,000
Other income	(751,318)	(438,000)
Income before taxes	$ 6,773,505	$ 6,610,000
Income taxes	2,740,605	2,635,000
Net Income	$ 4,032,897	$ 3,975,000

Assets

As of	1/26/80	1/27/79
Cash	$ 8,959,918	$ 4,177,000
Accts. receiv., net	5,506,807	5,985,000
* Inventories	25,662,287	23,789,000
Prepaid expenses	4,728,405	4,370,000
Current assets	$ 44,857,417	$ 38,321,000
# Fixed assets	39,729,034	32,241,000
Prop. held under cap. leases	18,725,496	19,019,000
Other assets	1,327,687	691,000
Prop. held for sale	55,400	6,740,000
Intangibles	3,179,211	3,179,000
Total Assets	$107,874,245	$100,191,000

Liabilities

Long-term debt, curr.	$ 2,433,994	$ 864,000
Cap. lease oblig. curr.	731,013	965,000
Accts. payable	18,099,637	15,898,000
Accruals	13,099,637	12,087,000
Income taxes	1,125,426	94,000
Curr. Liabilities	$ 36,086,884	$ 29,908,000
Long-term debt	15,134,663	17,059,000
Cap. lease oblig.	20,133,624	19,738,000
Other defer. credits & liabilities	2,293,297	3,272,000
Deferred inc. taxes	88,795	120,000
+ Common stock	4,769,954	4,766,000
Add. paid-in capital	10,039,440	10,033,000
Retained earnings	20,193,814	16,161,000
Treasury stock	(866,226)	(866,000)
Total Liabilities & Shareholders' Equity	$107,874,245	$100,191,000

* At lower of cost or net realizable market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.05	2.23
%Net Income to Sales	1.22	1.34
%Net Income to Equity	11.81	13.21
Sales to Iventories	12.89	12.45
Working Capital	$ 8,770,533	$ 8,413,000
Current Ratio	1.24	1.28
Shareholders' Equity	$ 34,136,982	$ 30,094,000

Rapid-American Corporation

888 Seventh Avenue
New York, New York 10019
(212) 399-4500

Officers: Meshulam Riklis, chairman of the board & chief executive officer; Lorence A. Silverberg, president & chief operating officer; Isidore A. Becker, vice chairman of the board; Harold S. Divine, vice chairman of the board; Leonard C. Lane, executive vice president; Arie Genger vice president & exec. asst. to the chairman of the board; Bernard J. Blaney, vice preisdent & treasurer; Stuart H. Aarons, secretary; Michael J. Magenheim, controller.

Directors: Isidore A. Becker*, Mona R. Ackerman, George V. Delson, Harold S. Divine*, Arie Genger, Bernard Kobrovsky, Fred Korros, Leonard C. Lane*, Samuel J. Levy*, Meshulam Riklis*, Pinhas Riklis, Lorence A. Silverberg*, Seymour Kleinman, Daniel J. Manella, Dan Palmon, Leo D. Stone, Helen H. Updike.

* Member of Executive Committee.

Business Activities: Rapid American is principally engaged (a) through its subsidiary, Schenley Industries, Inc., in the production, importation and sale of alcoholic beverages under various brand names; (b) through its subsidiaries, Anvil Brand Incorporated and Rapid-American Menswear, Inc., and its division, Leeds Travelwear, and certain other divisions and subsidiaries in the manufacture and sale of a variety of consumer products; and (c) through its subsidiary, McCrory Corporation, in retail merchandising.

Rapid American's consumer products divisions and subsidiaries manufacture: (a) popular priced and medium priced suits and sport coats sold by Cross Country and Botany '500' divisions of Rapid-American Menswear primarily under private labels as well as the trademarks "Botany 500," "House of Worsted-Tex," "Fashion Park" "Stein Bloch", "Broadstreet's" and "Coat Tails"; (b) men's and boys' underwear shirts, sport shirts and ties sold under such labels as "B.V.D.," "Wonderknit," "Slazenger," "Saddle Club," "Nedo di Como," 'Snapper," "Red Fox," "Anvil," "Botany," "Manfredo," "Pulitzer", "Gnu", "Beau Brummell" and "Mr. John"; (c) ladies' lingerie, sleep wear and undergarments sold under the "Gilead," "Gillies" and "Jubilee" trademarks and (d) luggage, bowling bags and golf bags manufactured by Leeds under its own trademarks and labels as well as private labels.

At January 31, 1980, McCrory operated 715 variety stores in the United States through its McCrory Stores division, under various trade names, including "McCrory", "McLellan", "H.L. Green" and "J.J. Newberry"; its Apparel Speciality division consisted of 637 retail stores operated under the trade name "Lerner Shops", specializing in the sale of women's and children's apparel; its Automotive and Home Accessories division operated, under the trade name "OTASCO Stores"; a chain of 261 company-owned stores and 420 serviced franchised associate stores, all of which were engaged in the retail sale of automotive and home accessories; and its Britts Department Stores division operated a chain of 14 "Britts" department stores.

Subsidiaries:

Schenley Industries, Inc.
  AGE Bodegas Unidas, S.A. (49.3% owned)
  D.W.S. Corporation
    Schenley Canada Inc.
    World T. and I. Corporation
  Distributors of New England, Inc.
    Chas. Gilman & Sons, Inc.
      Harlan Merchandising Corp.
  Dreyfus-Ashby & Co., Limited
  Dubonnet Wine Corporation
  L.E. Jung & Wulff Co., Inc.
  Knickerbocker Market Research Corp.
    Merit House, Inc.
    World Network, Inc.
  Schenley Affiliated Brands Corp.
    Wine & Spirits Merchandisers, Inc.
  Schenley Charge Plan, Inc.
  Schenley Distillers, Inc.
    Joseph S. Finch and Company
  Schenley Enterprises, Inc.
  Schenley Export Corporation
  Schenley Far East, Ltd.
  Schenley International Co., Inc.
  Trans-American Distributing Corp.
    Best Brands, Inc.
      Colorado Delivery Inc.
    Copper State Distributors, Inc.
    International Distributing Corporation
    Paradise Beverages, Inc.
    Quality Brands, Inc.
      K-M Deliveries, Inc.
  Virgin Islands Rum Industries, Ltd.

McCrory Corporation
  Lerner Stores Corporation
  J.J. Newberry Co.
  Otasco Corporation
  S.D. Distributors, Inc.
  T.L. Green Properties Corporation
  McCarlen of Cherry Hill, Inc.
  McCarlen Penn Center, Inc.
  Whimsy, Incorporated

Rapid-American Menswear, Inc.
Anvil Brand, Inc.
RAAM Information Services Corporation
Triple Eight Corporation
Leeds (Israel) Ltd.
ILC Industries, Inc. (74% owned)
Theatre Ventures, Inc.
McGregor-Doniger Inc.
View Top Corporation

Merger:
On March 12, 1976 a wholly-owned subsidiary of Rapid-American merged with and into McCrory and, as a result, Rapid-American became the owner of all of the outstanding shares of McCrory common stock.

Transfer Agent(s):

Chemical Bank (common stock & $2.25 Cum. Conv. Jr. preferred stock)
55 Water Street
New York, New York 10041

Marine Midland Bank - New York
(Class B Sr. Cumulative ($3) preferred stock)
New York, New York

Stock Exchange(s): New York, Cincinnati, Pacific

Ticker Symbol: RPD

Rapid-American Corporation

Sales and Earnings

	Revenues + (000's)	Net Income ‡ (000's)
1980	$ 2,589,838	$ 34,603
1979	2,461,900	44,433
1978	2,377,200	47,693
1977	2,360,700	13,940
1976	2,893,900	5,275

	No. of Com. Shares	Earn. per Share ‡ #
1980	5,098,171	$4.55
1979	7,074,013	5.34
1978	7,854,235	5.83
1977	7,853,186	1.54
1976	6,904,475	0.53

+ Of continuing operations only; includes leased department sales.
‡ Including extraordinary gains of $7,191,000 ($0.82 per share) in 1979, $30,075,000 ($3.83 per share) in 1978 and $14,715,000 ($2.14 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1980	1979
Alcoholic beverages	$ 746,000	$ 730,000
Retail merchandising	1,625,000	1,543,000
Industrial group	207,000	181,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	$0.40	—	—
1978	—	—	—
1977	—	—	—
1976	0.125	—	—

Common Stock Equity

	Total Equity +	Equity Per Share
1980	$187,094,000	$36.70
1979	201,332,000	28.46
1978	170,140,000	21.66

+ Allowing for preference stock at aggregate liquidation preference.

Income Account
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 2,578,290	$ 2,454,024
Other income	11,548	7,878
Total Income	$ 2,589,838	$ 2,461,902
Cost of sales	1,845,340	1,756,850
Expenses	528,720	486,773
Depreciation & amortization	29,857	28,585
Interest expense	122,588	111,267
Income before taxes	$ 63,333	$ 78,427
Income taxes	28,730	41,185
Net Income	$ 34,603	$ 37,242
Extraord. gain	—	7,191
Net Income & extraord. gain	$ 34,603	$ 44,433

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 24,487	$ 36,639
Marketable securities	34,330	49,575
Accts. receiv., net	210,358	203,375
Other receiv.	40,909	38,747
* Inventories	619,488	616,215
Current Assets	$ 929,572	$ 944,551
Investments	32,576	32,074
# Fixed assets	294,419	270,131
Other assets	331,162	337,343
Total Assets	$ 1,587,729	$ 1,584,099

Liabilities
(000's)

Long-term debt, curr.	$ 8,151	$ 21,412
Cap. lease oblig.	9,530	10,756
Accts. payable	121,710	109,310
Accruals	139,764	137,287
Income taxes	48,761	47,199
Curr. Liabilities	$ 327,916	$ 325,964
Long-term debt	782,729	812,041
Cap. lease oblig.	85,420	97,332
Minority interest	16,028	15,961
Deferred inc. taxes	68,648	53,127
Other liabilities	57,654	57,267
+ $3 redeem. pref. stock	3,370	5,292
Preferred stock:		
+ $3.15 cum. convert.	238	340
+ + $2.25 cum. convert.	82	340
+ + + Common stock	5,098	7,074
Add. paid-in capital	132,840	174,035
Retained earnings	54,230	35,210
Total Liabilities & Shareholders' Equity	$ 1,587,729	$ 1,584,099

* At LIFO cost.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $2 par value.
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.46	3.20
%Net Income to Sales	1.34	1.52
%Net Income to Equity	17.67	16.74
Working Capital	$601,656,000	$618,587,000
Current Ratio	2.83	2.90
Shareholders' Equity	$195,858,000	$222,407,000

RB Industries, Inc.

Corporate Offices:
1801 Century Park East, Suite 2101
Los Angeles, California 90067
(213) 553-3655

Executive Offices:
2323 Southeast Main Street
Irvine, California 92714

Officers: Edward H. Resnick, chairman of the board & chief executive officer; David C. Dahlberg, president & chief operating officer; Robert F. Fontaine, v.p.-finance & treasurer; Joseph Rudolph, v.p.; Stanley N. Goff, secretary.

Directors: Joseph Sinay, Marvin M. Chalek, Samuel B. Sinay, Stanley N. Goff, Edward Resnick, Irvine Robbins, David C. Dahlberg, James E. Ludlam.

Business Activities: Owns and operates furniture stores in California, Nevada, Arizona, Utah, Oregon, and Washington.

Subsidiaries:

RB Furniture, Inc.
RB Creative Systems
Laurel Development Company

Transfer Agent(s):

Crocker National Bank
San Francisco, California

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: RBI

Number of Stores: (at fiscal year end)

1979	61	1976	53
1978	59	1975	53
1977	56		

Sales and Earnings

	Revenues	Net Income†
1979	$ 81,558,000	$ 4,354,000
1978	72,490,000	3,438,000
1977	56,987,000	2,116,000
1976	50,706,000	1,458,000
1975	42,174,000	593,000

	No. of Com. Shares #	Earn. per Share # †
1979	2,924,225	$1.49
1978	2,853,995	1.20
1977	2,761,823	0.77
1976	2,664,115	0.55
1975	2,511,745	0.24

† Restated to reflect capitalization of leases.
# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.24	—	5-for-4 ×
1978	0.21	—	4-for-3†
1977	0.09		—
1976	—	—	3-for-2

† In the form of a 33⅓% stock dividend.
× In the form of a 25% stock dividend; declared Dec. 15, 1979.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 15,442,000	$5.28
1978	11,654,000	4.08
1977	8,206,000	2.97
1976	6,228,000	2.34
1975	4,588,000	1.83

‡ Based on average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1979	1978†
Net sales	$ 81,138,000	$ 72,186,000
Other income	420,000	304,000
Total income	$ 81,558,000	$ 72,490,000
Cost of sales	40,112,000	36,705,000
Expenses	30,613,000	26,779,000
Interest exp.	2,306,000	1,916,000
Income before taxes	$ 8,527,000	$ 7,090,000
Income taxes	4,173,000	3,652,000
Net Income	$ 4,354,000	$ 3,438,000

† Restated to reflect capitalization of leases.
* Included in Costs and Expenses, Depreciation and Amortization: $900,000 in 1979 and $848,000 in 1978.

Assets

As of June 30	1979	1978†
Cash	$ 1,788,000	$ 1,519,000
Short-term invest	—	1,000,000
Accts. receiv., net	8,023,000	7,310,000
Trust deed notes	599,000	30,000
* Inventories	10,090,000	8,058,000
Prepaid expenses	1,109,000	1,290,000

Current Assets	$ 21,609,000	$ 19,207,000
# Fixed assets	28,850,000	21,150,000
Other assets	1,421,000	1,214,000
Defer. charges	434,000	452,000
Total Assets	$ 52,314,000	$ 42,023,000

Liabilities

Long-term debt, curr.	$ 71,000	$ 48,000
Oblig. under cap. leases	229,000	208,000
Accts. payable	4,581,000	3,705,000
Accruals	5,295,000	5,063,000
Customers' deposits	369,000	290,000
Income taxes payable	578,000	1,471,000
Defer. inc. taxes	1,454,000	1,319,000
Curr. Liabilities	$ 12,577,000	$ 12,104,000
Long-term debt	10,721,000	5,027,000
Long-term oblig. under cap. lease	13,574,000	13,238,000
+ Common stock	2,847,000	2,236,000
Add. paid-in capital	1,406,000	1,940,000
Retained earnings	11,189,000	7,478,000
Total Liabilities & Shareholders' Equity	$ 52,314,000	$ 42,023,000

† Restated to reflect capitalization of leases.
* At lower of cost (specific identification) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.51	9.82
%Net Income to Sales	5.37	4.76
%Net Income to Equity	28.20	29.50
Sales to Inventories	8.04	8.96
Working Capital	$ 9,032,000	$ 7,103,000
Current Ratio	1.72	1.59
Shareholders' Equity	$ 15,442,000	$ 11,654,000

Reitman's (Canada) Limited

250 Sauve Street West
Montreal H3L 1Z2 Quebec, Canada
(514) 384-1140

Officers: Sam Reitman, chairman of the board; Jack Reitman, president; Gerald Smith, exec. vice president; Issac Salem, v.p.-treasurer; Jeremy Reitman, v.p. & secretary; Cyril Reitman, vice president; vice presidents: Allan Salomon, legal counsel, Brian Smith-Eastern Oper., Peter S. Cohen-real estate, Hyman Shoub-administration, Louis Waxman-Ontario oper., Jack Hymes-sales & operations, Philip Sacks-merchandising, Stephen Reitman-Smart Set/Sweet Sixteen Div., Leo Bouchard-planning & development, Jacques Rousseau, comptroller.

Directors: Jack Reitman, Sam Reitman, Jack Hymes, Gerald Smith, Isaac Salem, Jeremy Reitman, Philip F. Vineberg, Cyril Reitman, Philip Sacks, Philippe De Gaspe-Beaubien.

Business Activities: Operates a chain of women's specialty shops across Canada. Some of these stores have children's and teen departments. Also operates leased departments in self-service department stores and Smart Set Shops, a chain of boutiques and Sweet Sixteen Stores.

Divisions & Subsidiaries:

Sweet Sixteen Division
Operates 78 stores in British Columbia, Saskatchewan and Alberta under the names Sweet Sixteen, Niki, Tracy's and Jean Burns.

Sweet Sixteen (Canada) Limited
Niki Shops (Canada) Limited
Sweet Sixteen (Alberta) Ltd.
Reitman's (Ontario) Limited
Reitman's (Quebec) Limited
Reitman's (Alberta) Ltd.
Reitman's (Nova Scotia) Limited
Reitman's (N.B.) Limited
Reitman's (Manitoba) Ltd.
Reitman's (B.C.) Limited
Reitman's (Saskatchewan) Ltd.
Eastern Reitman's Limited
Reitman's (P.E.I.) Limited
Reitman's (Canada) Limited
Reitman's (U.S.) Ltd.
Smart Set Fashions Limited
Sweet Sixteen (Saskatchewan) Ltd.
Worth's, Inc.

Transfer Agent(s):

Montreal Trust Company
Montreal, Toronto, Halifax, Saint John, Regina, Calgary, Vancouver.

Canada Permanent Trust Company
Winnipeg, Manitoba

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: RET

Number of Stores: (at fiscal year end)

1980	589	1977	476
1979	530	1976	448
1978	512		

Sales and Earnings ‡

	Net Sales	Net Income =
1980	$213,866,686	$ 10,579,109
1979	174,028,066	11,015,476
1978	159,767,644	9,738,128
1977	146,837,048	7,827,206
1976	138,960,261	8,977,160

	No. of Com. Shares +	Earn. per Share † #
1980	4,637,741	$2.28
1979	4,637,741	2.38
1978	4,605,551	2.11
1977	4,571,216	1.71
1976	4,568,946	1.93

‡ In Canadian dollars.
+ Based on common shares and Class A shares outstanding.
† Based on the weighted average number of Class A and common shares outstanding adjusted to reflect stock split.
# Including extraordinary gains of $83,000 ($0.02 per share) in 1978 and $166,340 ($0.03 per share) in 1976.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.72	—	—
1978	0.48	—	—
1977	0.40	—	—
1976	0.30	—	—

‡ Common stock and Class A stock combined.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 60,019,165	$12.94
1979	53,057,494	11.44
1978	44,274,393	9.61
1977	36,178,360	7.91
1976	29,817,406	6.53

‡ Based on common shares and Class A shares outstanding.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$213,866,686	$174,028,066
Cost of sales & expenses	194,599,327	154,657,363
Other income	(3,218,165)	(2,332,777)
Depreciation	2,854,821	2,091,625
Debenture interest	1,244,018	101,872
Amort. of goodwill	344,268	—
Income before taxes	$ 18,042,417	$ 19,509,983
Income taxes	7,463,308	8,494,507
Net Income	$ 10,579,109	$ 11,015,476

Assets

As of Jan. 31	1980	1979
Cash	$ 7,157,437	$ 12,583,613
Accts. receiv., net	3,752,329	3,534,672
*Inventories	20,052,671	20,339,230
Prepaid expenses	1,661,609	1,680,739
Inc. taxes recov.	1,983,492	—
Current Assets	$ 34,607,538	$ 38,138,254
Marketable securities	24,208,494	21,258,794
#Fixed assets	15,504,400	11,762,246
Goodwill	13,239,048	—
Total Assets	$ 87,559,480	$ 71,159,294

Liabilities

Accts. payable & accruals	$ 15,856,434	$ 14,450,040
Income taxes	—	1,110,396
Other taxes	705,897	649,876
Curr. Liabilities	$ 16,562,331	$ 16,210,312
Long-term debt	10,489,070	1,417,000
Deferred inc. taxes	488,914	474,488
+Class A stock	982,721	982,721
+Common stock	482,171	482,171
Retained earnings	58,554,273	51,592,602
Total Liabilities & Shareholders' Equity	$ 87,559,480	$ 71,159,294

* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.44	11.21
%Net Income to Sales	4.95	6.33
%Net Income to Equity	17.63	20.76
Sales to Inventories	10.67	8.56
Working Capital	$ 18,045,207	$ 21,927,942
Current Ratio	2.09	2.35
Shareholders' Equity	$ 60,019,165	$ 53,057,494

Revco D.S., Inc.

1925 Enterprise Parkway
Twinsburg, Ohio 44087
(212) 425-9811

Officers: Sidney Dworkin, president & chief exec. officer; Lee C. Howley, chairman of the board; Henry H. Gray, adm. v.p.; Marvin Block, v.p.-purchasing; Marc Dworkin, v.p.-marketing & corporate planning; H. Scott Leeseberg, v.p.-systems; Howard G. Bieber, v.p.-distribution; Elliot F. Dworkin, v.p.-manufacturing & service subsidiaries; Daniel Horwitz, v.p.-merchandising; Albert Sebok, v.p.-store operations; Stephen P. Gruber, v.p.-taxes; Marvin Solganik, v.p.-corp. development; John P. Kern, v.p.-professional services; R. Carroll Hudson, v.p.-finance & treasurer; Frank D. Petruno, v.p.-security; Martin Zeiger, v.p., secretary & corp. counsel; Lawrence Bell, Leonard Cohen, Richard Kicak, Jay E. Ross, Gary Just, Robert C. Lewis, Paul R. Shellabarger, Jerry Wasserman, Joel M. Wolfe, asst. v.p.'s; Harold Bardon corp. controller; Wilbur B. Smith, asst. treasurer; Jack Staph, asst. secretary & corp. counsel; Morton L. Stone, asst. secretary; David R. Stitt, asst. controller.

Directors: Lee C. Howley*, chairman; Sidney Dworkin*, Marvin Block*, Henry H. Gray*, Gordon S. Prussian, Max Bunin, William W. Davis, Alex Robinson, Donald M. Robinson, Harold L. Robinson, Marvin Solganik, Betty J. Diener, Edward C. Gendron, R. Carroll Hudson.

* Member of Executive Committee.

Business Activities: Operates a chain of discount drug stores in 23 states.

Revco D.S., Inc.

Transfer Agent(s):

Union Commerce Bank
917 Euclid Avenue
Cleveland, Ohio 44115

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Midwest

Ticker Symbol: RDS

Number of Stores: (at fiscal year end)

1980	1,247	1977	914
1979	1,143	1976	807
1978	1,030		

Sales and Earnings

	Net Sales	Net Income
1980	$1,092,796,957	$ 38,915,735
1979*	927,533,035	33,636,142
1978	792,032,923	29,375,756
1977	658,287,410	24,363,937
1976	553,702,161	19,102,939

	No. of Com. Shares ‡	Earn. per Share ≠
1980	13,538,273	$2.88
1979	13,426,903	2.51
1978	13,257,617	2.21
1977	13,220,022	1.84
1976	12,745,272	1.49

* 53 weeks.
‡ Adjusted to reflect stock split.
≠ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ≠	Stock Dividend	Stock Split
1980	$0.76	—	—
1979	0.58	—	—
1978	0.43	—	
1977	0.23	—	—
1976	0.20	—	2-for-1

≠ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$214,833,331	15.87
1979	183,169,285	13.64
1978	155,745,057	11.75
1977	131,331,285	9.93
1976	106,559,964	8.36

Income Account*

Year ended	5/31/80	6/2/79 (53 weeks)
Net sales	$1,092,796,957	$927,533,035
Cost of sales	802,000,473	681,374,037
Expenses	219,043,204	182,542,501
Oper. profit	$ 71,753,280	$ 63,616,497
Other income	(4,939,212)	(3,087,834)
Interest expense	3,776,757	3,568,189
Income before taxes	$ 72,915,735	$ 63,136,142
Income taxes	34,000,000	29,500,000
Net Income	$ 38,915,735	$ 33,636,142

* Included in Costs and Expenses, Depreciation and Amortization: $10,827,403 in 1980 and $8,977,467 in 1979.

Assets

As of	5/31/80	6/2/79
Cash	$ 44,374,905	$ 31,880,272
Accts. & notes receiv., net	24,598,549	21,134,710
*Inventories	194,708,749	175,768,51[illegible]
Prepaid expenses	8,369,767	7,937,692
Current Assets	$272,051,970	$236,721,193
≠Fixed assets	83,978,089	69,343,519
Other assets	11,114,096	7,481,013
Total Assets	$367,144,155	$313,545,725

Liabilities

Long-term debt, curr.	$ 1,256,017	$ 1,094,172
Accts. payable	69,169,542	58,838,440
Accruals	20,476,584	17,176,574
Income taxes	8,720,764	7,981,535
Curr. Liabilities	$ 99,622,907	$ 85,090,721
Long-term debt	49,234,060	42,085,002
Deferred inc. taxes	3,453,857	3,200,717
+Common stock	13,538,273	13,426,903
Add. paid-in capital	18,015,672	15,157,474
Retained earnings	183,279,386	154,584,908
Total Liabilities & Shareholders' Equity	$367,144,155	$313,545,725

* At lower of cost (LIFO) or replacement market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.67	6.81
%Net Income to Sales	3.56	3.63
%Net Income to Equity	18.11	18.36
Sales to Inventories	5.61	5.28
Working Capital	$172,429,063	$151,630,472
Current Ratio	2.73	2.78
Shareholders' Equity	$214,833,331	$183,169,285

Revelstoke Companies Ltd.

P.O. Box 2501
Calgary, Alberta, T2P 2N2 Canada
(403) 266-6071

Officers: Steele Curry, president & chief exec. officer; Gerald A. Berkhold, sr. v.p.; John B. Hall, v.p.-lumber trading; Keith A. C. McDowell, v.p. & secretary-treasurer; Victor R. Roskey, v.p.-merchandising; Gordon D. Roberts, v.p.-operations; Brian A. Harris, asst. secretary-treasurer.

Directors: Gerald A. Berkhold, Steele Curry, Neil B. Ivory, John E. Sands, John L. Schlosser, Brett F. Sine, Robert L. Strickland, G. Mark Curry, Daryl K. Seaman.

Business Activities: Owns and operates a chain of lumber, building material and home improvement retail outlets throughout Western Canada. Also produces redi-mix concrete and lumber.

Divisions & Subsidiaries:

Retail Division
Concrete Division
Lumber Division
Revelstoke Sawmill (Radium) Ltd.
Revelstoke Home Improvement Centers Ltd.

Transfer Agent(s):

Montreal Trust Company (common stock)
Calgary, Toronto, Montreal and Vancouver

Canada Permanent Trust Company (preferred stock)
Calgary, Toronto, Montreal and Vancouver.

Stock Exchange(s): Toronto

Ticker Symbol: REVT

Number of Stores: (at fiscal year end)

1979	105	1976	108
1978	105	1975	109
1977	108		

Sales and Earnings

	Net Sales	Net Income +
1979	$206,413,000	$ 8,132,000
1978	178,278,000	5,003,000
1977	153,275,000	4,290,000
1976	148,902,000	4,234,000
1975	93,304,451	2,470,000

	No. of Com. Shares †	Earn. per Share ‡ +
1979	4,024,493	$1.99
1978	4,024,493	1.22
1977	3,989,493	1.06
1976	3,904,962	1.06
1975	3,860,522	0.61

+ Restated to reflect capitalization of leases.
† Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenue by Line of Business

	1979	1978
Retail	$150,006,000	$130,992,000
Concrete	41,791,000	34,185,000
Lumber	25,255,000	21,740,000
Interseq. sales	(10,639,000)	(8,639,000)
Total	$206,413,000	$178,278,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.30	—	—
1978	0.20	—	—
1977	0.13	—	—
1976	0.125	—	2-for-1
1975	0.10	—	—

+ Adjusted to reflect stock split.

Common Stock Equity †

	Total Equity ‡	Equity Per Share +
1979	$ 39,145,148	$9.73
1978	32,333,348	8.03

† Restated to reflect capitalization of leases.
‡ After allowing for preferred stock at redemption value of $20.50 per share.
+ Adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1979	1978 ‡
Net sales	$ 206,413	$ 178,278
Gain on dispos. of fixed assets	(1,993)	(245)
Cost of sales & expenses	184,373	161,676
Depreciation, depletion & amortization	4,251	3,878
Interest expense	6,117	4,703
Income before taxes	$ 13,665	$ 8,266
Income taxes	5,533	3,263
Net Income	$ 8,132	$ 5,003

‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of Dec. 31	1979	1978 ‡
Accts. receiv., net	$ 25,003	$ 23,648
*Inventories	40,963	39,967
Current Assets	$ 65,966	$ 63,615
Notes receiv.	723	801
# Fixed assets	36,061	30,714
Intangibles	400	520
Total Assets	$ 103,150	$ 95,650

Liabilities
(000's)

Short-term loans	$ 20,977	$ 26,259
Long-term debt, curr.	2,515	1,976
Accts. payable & accruals	13,372	12,099
Income taxes	1,445	167
Curr. Liabilities	$ 38,309	$ 40,501
Long-term debt	21,141	19,588
Deferred inc. taxes	2,629	1,269
+ Preferred stock	1,879	1,911
+ + Common stock	5,089	5,089
Retained earnings	34,103	27,292
Total Liabilities & Shareholders' Equity	$ 103,150	$ 95,650

‡ Restated to reflect capitalization of leases.
* At lower of cost or net realizable value.
# Less accumulated depreciation and depletion.
+ $20 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.62	4.64
%Net Income to Sales	3.94	2.81
%Net Income to Equity	19.80	14.59
Sales to Inventories	5.04	4.46
Working Capital	$ 27,657,000	$ 23,114,000
Current Ratio	1.72	1.57
Shareholders' Equity	$ 41,071,000	$ 34,292,000

Rite Aid Corporation

Railroad Avenue and Trindle Road
Shiremanstown, Pennsylvania 17011
(717) 761-2633

Mailing address:

P.O. Box 3165
Harrisburg, Pennsylvania 17105

Officers: Alex Grass, chairman of the board and president; David Sommer, Duane Ruble, Heinz Boldes, sr. v.p.'s; Franklin C. Brown, sr. v.p. & secretary; Robert F. Brown, v.p. & treasurer; Timothy Noonan, William Allen, Henry Kowalczyk, Walter K. McCahan, Robert Souder, Joseph Rosen, Brian Glass, Martin Grass, Alex Schamroth, Peter Vanderveen, Frank Bergonzi, Roger Nattans, Martin Binder, v.p.'s; Stuart Becker, George Fegan, Philip Markovitz, John Palermo, David L. Dalton, James Krahulec, Charles Slane, John Valvano, Edward Neiman, Frank Simon, asst. v.p.'s; Yale Lainer, asst. secretary.

Directors: Frederick M. Alger, Alex Grass, D. Gilbert Lehrman, Phillip Neivert, Lewis E. Lehrman, Maxwell Rabb, David Sommer, Philip Zinman.

Business Activities: Owns and operates a chain of discount drug stores and health and beauty aid stores in Connecticut, Maryland, Virginia, New Jersey, New York, Pennsylvania, New Hampshire, Delaware, Massachusetts, Vermont, Tennessee, Kentucky, Ohio, West Virginia, North Carolina, South Carolina and Rhode Island. These stores are called Rite Aid. Through subsidiaries, operates a wholesale food distribution business, a rack service merchandiser of non-food products to grocery stores and specialized blood banking operations. The company also owns a 42½% interest in Superdrug, Ltd. which operates 76 stores in Great Britain.

Divisions & Subsidiaries:

Louis Lehrman & Son, Inc.
Railroad Avenue and Trindle Road
Shiremanstown, Pennsylvania 17011
(717) 761-1444

Rack Rite Distributors, Inc.
Railroad Avenue and Trindle Road
Shiremanstown, Pennsylvania 17011
(717) 761-2633

Sera-Tec Biologicals
525 Milltown Road
North Brunswick, New Jersey 08902
(201) 846-6800

Acquisition(s):

Read's Inc.
Keystone Centers, Inc.
Retail drug, health and beauty aid stores.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York 10015

Registrar and Transfer Co.
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: RAD

Number of Stores: (at fiscal year end)

1980	811	1977	648
1979	811	1976	469
1978	672		

Sales and Earnings

	Net Sales +	Net Income #
1980	$811,100,000	$ 30,201,000
1979	640,272,000	26,504,000
1978*	586,010,000	20,696,000
1977	452,025,000	16,084,000
1976	389,358,000	12,102,489

	No. of Com. Shares ‡	Earn. per Share ‡ #
1980	10,501,000	$2.88
1979	10,440,000	2.54
1978*	10,386,000	1.99
1977	10,353,000	1.55
1976	10,299,981	1.18

* 53 weeks.
+ Of continuing operations only.
‡ Based on weighted average number of shares outstanding.
# Including extraordinary gain of $580,801 ($0.06 per share) in 1976.

Revenues by Line of Business

	1980	1979
Retail drug	$650,589,000	$556,180,000
Wholesale drug	13,169,000	6,660,000
Grocery	135,585,000	67,739,000
Medical services	11,757,000	9,693,000
Total	$811,100,000	$640,272,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.595	–	–
1979	0.42	–	–
1978	0.32	–	–
1977	0.24	–	–
1976	0.16	–	–

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$162,008,000	$15.43
1979	137,727,000	13.19
1978	115,123,000	11.08
1977	97,520,000	9.42
1976	83,664,478	8.12

‡ Based on weighted average number of shares outstanding.

Income Account *

Year ended	3/1/80	3/3/79
Net sales	$811,100,000	$640,272,000
Cost of sales	635,610,000	490,859,000
Expenses	117,347,000	98,584,000
Interest expense	3,502,000	2,767,000
Income before taxes	$ 54,641,000	$ 48,062,000
Income taxes	27,045,000	24,774,000
Minority interest	2,605,000	1,163,000
Income from cont. oper.	$ 30,201,000	$ 24,451,000
Income from discont. oper.	–	2,053,000
Net Income	$ 30,201,000	$ 26,504,000

* Included in Costs and Expenses, Depreciation and Amortization: $9,527,000 in 1980 and $7,800,000 in 1979.

Assets

As of	3/1/80	3/3/79
Cash	$ 6,669,000	$ 4,935,000
Accts. & notes receiv., net	20,324,000	14,758,000
* Inventories	140,709,000	120,112,000
Prepaid expenses & other assets	1,358,000	1,306,000
Current Assets	$169,060,000	$141,111,000
Investments & advances	7,895,000	5,290,000
# Fixed assets	70,891,000	60,458,000
Other assets	1,992,000	2,175,000
Intangibles	16,814,000	17,296,000
Total Assets	$266,652,000	$226,330,000

Liabilities

Notes payable	$ 22,750,000	$ 12,500,000
Long-term debt, curr.	2,527,000	2,663,000
Accts. payable	46,905,000	39,920,000
Accruals	3,211,000	2,640,000
Income taxes	3,846,000	6,265,000
Other taxes	2,335,000	2,021,000
Curr. Liabilities	$ 81,574,000	$ 66,009,000
Long-term debt	23,070,000	22,594,000
+ Common stock	10,518,000	10,471,000
Add. paid-in capital	24,387,000	24,106,000
Retained earnings	127,103,000	103,150,000
Total Liabilities & Shareholders' Equity	$266,652,000	$226,330,000

* At lower of cost or market. Retail drug inventories at LIFO; all others at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.74	–
%Net Income to Sales	3.72	–
%Net Income to Equity	18.64	19.24
Sales to Inventories	5.76	5.33
Working Capital	$ 87,486,000	$ 75,102,000
Current Ratio	2.07	2.14
Shareholders' Equity	$162,008,000	$137,727,000

Rix Corp.

84 Rowe Street
Auburndale, Massachusetts 02166
(617) 969-4200

Officers: Richard L. Weinberg, president & treasurer; William Scheft, v.p.-real estate & operations; Steven Sorkin, v.p.-merchandising; Harold F. DeBruyn, v.p.-asst. treasurer; Lawrence M. Levinson, clerk; Noel Posternak, asst. clerk.

Directors: Richard L. Weinberg, Carol C. Weinberg, Lawrence Levinson, Gale Raphael.

Business Activities: Operates retail stores and leased departments in 15 states, specializing in health and beauty aids, cosmetics, stationery and candy.

Transfer Agent(s):

New England Merchants National Bank
Prudential Center
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Retail Outlets: (at fiscal year end)

	Stores	Leased Departments
1979	37	75
1978	38	69
1977	35	69
1976	32	65
1975	37	52

Sales and Earnings

	Net Sales	Net Income
1979	$ 26,239,330	$ 163,532
1978	24,606,603	436,348
1977*	22,947,027	412,441
1976	21,148,791	220,786
1975	19,868,794	45,116

	No. of Com. Shares	Earn. per Share #
1979	619,269	$0.26
1978	619,269	0.70
1977*	622,839	0.66
1976	625,914	0.35
1975	632,365	0.07

* 53 weeks.
# Based on the weighted average number of shares.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 4,379,695	$7.07
1978	4,216,163	6.81
1977	3,786,709	6.08
1976	3,378,968	5.40
1975	3,166,014	5.01

Income Account *

Year ended	9/1/79	9/2/78
Net sales	$ 26,239,330	$ 24,606,603
Cost of sales & expenses	25,672,305	23,604,993
Interest expense	273,993	158,262
Income before taxes	$ 293,032	$ 843,348
Income taxes	129,500	407,000
Net Income	$ 163,532	$ 436,348

* Included in Costs and Expenses, Depreciation and Amortization: $130,358 in 1979 and $135,248 in 1978.

Assets

As of	9/1/79	9/2/78
Cash	$ 890,001	$ 917,142
Accts. receiv., net	819,751	477,729
* Inventories	7,062,373	7,221,990
Prepaid expenses	125,649	106,948
Current Assets	$ 8,897,774	$ 8,723,809
# Fixed assets	765,875	674,600
Total Assets	$ 9,663,649	$ 9,398,409

Liabilities

Notes payable	$ 125,825	$ 625,825
Long-term debt, curr.	15,181	13,282
Accts. payable	2,663,980	2,531,749
Accruals	212,664	274,313
Compensation & related taxes	127,523	129,194
Income taxes	—	68,155
Curr. Liabilities	$ 3,145,173	$ 3,642,518
Long-term debt	2,138,781	1,539,728
+ Common stock	64,000	64,000
Add paid-in capital	443,125	443,125
Retained earnings	3,901,534	3,738,002
Treasury stock	(28,964)	(28,964)
Total Liabilities & Shareholders' Equity	$ 9,663,649	$ 9,398,409

* At lower of cost (FIFO or retail method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.12	3.43
%Net Income to Sales	0.62	1.77
%Net Income to Equity	3.73	10.35
Sales to Inventories	3.72	3.41
Working Capital	$ 5,752,601	$ 5,081,291
Current Ratio	2.83	2.39
Shareholders' Equity	$ 4,379,695	$ 4,216,163

Rockower Brothers Inc.

3103 Philmont Avenue
Huntingdon Valley, Pennsylvania 19006
(215) 947-7400

Officers: I. Budd Rockower, chairman of the board and chief executive officer; Herbert Kurtz, president & chief operating officer & treasurer; M.S. Krimsky, executive vice president & secretary; Don Winokur, sr. vice president; David Smolensky, Abe Huberman, Irvin Littman, Stanley A. Mayer, Rudolph Veltri, Jack Weiss, Jack Barry, vice presidents.

Directors: J. Harrison Jones, M.S. Krimsky*, Herbert Kurtz*, Harry E. Rockower, I. Budd Rockower*, Arnold Naiman, Albert M. Rodstein.

* Member of Executive Committee.

Business Activities: Sells men's and boy's wear through leased departments in the Woolco Department Stores located in 31 states. Operates retail units in New Jersey under the name Jack Lang Clothes.

Division(s):

Woolco Men's and Boys' Departments
Bronzini-Trademark Licensing

Transfer Agent(s):

Provident National Bank
1632 Chestnut Street
Philadelphia, Pennsylvania 19103

The Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): New York

Ticker Symbol: ROC

Number of Retail Units: (at fiscal year end)

	Men's & Boys' Depts.	Other depts. & retail stores
1979	147	
1978	186	15
1977	175	15
1976	167	15
1975	162	19

Sales and Earnings

	Net Sales	Net Income
1979	$104,069,000	$ 5,465,000
1978	125,769,000	6,145,000
1977*	115,588,000	5,426,000
1976	103,374,000	5,709,000
1975	90,532,844	4,446,221

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,213,000	$2.47
1978	2,169,000	2.83
1977*	2,304,000	2.36
1976	2,426,000	2.35
1975	2,421,000	1.84

* 53 weeks.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.75		
1978	0.91		
1977	0.79		
1976	0.61⅔		
1975	0.35⅓		3-for-2‡

‡ Declared April 1976.
+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1979	$ 36,418,000	$16.43
1978	32,475,000	14.86
1977	28,281,000	13.11
1976	28,033,000	11.55
1975	23,797,740	9.83

+ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account*
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 104,069	$ 125,769
Cost of sales	77,506	93,442
Expenses	18,231	21,346
Other income	(2,232)	(1,160)
Interest expense	65	67
Income before taxes	$ 10,499	$ 12,074
Income taxes	5,034	5,929
Net Income	$ 5,465	$ 6,145

* Included in Costs and Expenses, Depreciation and Amortization: $740,000 in 1979 and $439,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 1,234	$ 3,149
Marketable securities	23,580	15,320
Proceeds of Woolco sales	6,401	7,146
Receiv., net	660	381
*Inventories	14,983	19,324
Prepaid expenses	171	226

Current Assets	$ 47,029	$ 45,546
#Fixed assets	1,338	2,586
Other assets	155	211
Intangibles	—	275
Total Assets	$ 48,522	$ 48,618

Liabilities
(000's)

Accts. payable & accruals	$ 8,648	$ 11,064
Income taxes	2,813	3,856
Dividends payable	—	551
Curr. Liabilities	$ 11,461	$ 15,471
Mortgage due	643	672
+Common stock	424	424
Add. paid-in capital	1,800	1,923
Retained earnings	39,467	35,662
Treasury stock	(5,273)	(5,534)
Total Liabilities & Shareholders' Equity	$ 48,522	$ 48,618

* At lower of cost (retail method) or market.
# Less accumulated depreciation.
+ $0.15 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.09	9.60
%Net Income to Sales	5.25	4.89
%Net Income to Equity	15.01	18.92
Sales to Inventories	6.95	6.51
Working Capital	$ 35,568,000	$ 30,075,000
Current Ratio	4.10	2.94
Shareholders' Equity	$ 36,418,000	$ 32,475,000

Rose's Stores, Inc.

P. H. Rose Building
P.O. Drawer 947
Henderson, North Carolina 27536
(919) 492-8111

Officers: J. T. Church, chairman of the board; L. H. Harvin, III, president & chief executive officer; J.A. Dismore, sr. v.p.-sales & merchandise; D. C. Rose, v.p.-finance & treasurer; T. B. Rose, III, v.p.-distribution & warehouse merchandising; J. A. Roberts, Jr., v.p.-personnel & operations; T. B. Banks, v.p.-expansion & real estate; W. S. Kelley, secretary & asst. treasurer; R.E. Anderson, controller.

Directors: J. T. Church, chairman; W. T. Barnett, Nancy B. Faircloth, L. H. Harvin III, R. H. Jenrette, R. G. Kittrell, Jr., M. W. Lee, D. C. Rose, Elizabeth C. Bacon, Ralph W. Ketner, L. H. Harvin, Jr.

Business Activities: Operates a chain of variety, junior department and general merchandise stores in North Carolina, South Carolina, Virginia, Georgia, Tennessee, Maryland, Kentucky, Alabama, Florida, Mississippi, Louisiana and Indiana.

Transfer Agent(s):

Rose's Stores, Inc.
Henderson, North Carolina

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RSTO (NASDAQ)

Number of Stores: (at fiscal year end)

1979	227	1976	241
1978	227	1975	254
1977	237		

Sales and Earnings

	Net Sales	Net Income
1979	$497,746,944	$ 8,770,000
1978*	500,054,719	7,412,000
1977	465,623,797	7,009,000
1976	426,009,964	5,065,000
1975	405,791,855	3,192,000

	No. of Com. Shares #	Earn. per Share #
1979	2,141,242	$4.10
1978	2,141,242	3.46
1977	2,144,785	3.27
1976	2,395,785	2.11
1975	2,441,600	1.31

* 53 weeks.
# Based on weighted average number of common and Class B shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.72	—	—
1978	0.72	—	—
1977	0.63	—	—
1976	0.45125	—	8-for-1
1975	0.40	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 70,332,000	$32.85
1978	63,103,000	29.47
1977	57,233,000	26.68
1976	51,941,000	21.68
1975	52,387,000	21.46

‡ Based on weighted average number of common and Class B shares outstanding adjusted to reflect stock split.

Income Account*

Year ended Dec. 31	1/30/80	1/31/79 (53 weeks)
Net sales	$497,746,944	$500,054,719
Cost of sales	377,963,825	379,187,556
Expenses	97,974,692	100,510,078
Prof. sh. plan	2,832,929	2,496,756
Interest expense	2,555,566	3,345,378
Income before taxes	$ 16,419,932	$ 14,514,951
Income taxes	7,650	7,103,000
Net Income	$ 8,769,932	$ 7,411,951

* Included in Costs and Expenses, Depreciation and Amortization: $3,292,453 in 1979 and $3,433,295 in 1978.

Assets

As of Dec. 31	1/30/80	1/31/79
Cash	$ 2,507,508	$ 3,824,313
Comm. paper	17,300,000	10,000,000
Accts. receiv., net	1,147,152	839,869
*inventories	81,406,658	73,992,559
Other assets	1,155,285	1,225,993
Current Assets	$103,516,603	$ 89,882,734
#Fixed assets	15,501,622	14,461,843
Other assets	66,001	116,459
Capitalized real estate leases	3,188,553	3,666,373
Total Assets	$122,272,779	$108,127,409

Liabilities

Long-term debt, curr.	$ 1,192,700	$ 392,700
Accts. payable	21,158,210	15,324,956
Prof. sh. plan	2,832,929	2,496,756
Accrued payroll	3,929,314	4,395,202
Income taxes	4,964,103	2,279,569
Other liabilities	2,280,145	2,922,417
Cap. lease oblig., curr.	191,746	232,579
Curr. Liabilities	$ 36,549,147	$ 28,044,179
Long-term debt	10,663,700	11,856,400
Deferred inc. taxes	1,012,497	954,497
Capital lease oblig.	3,715,775	4,168,911
+Non-voting Class B stock	1,552,000	1,552,000
+Common stock	1,500,000	1,500,000
Add. paid-in capital	206,700	206,700
Retained earnings	71,014,919	63,786,681
Treasury stock	(3,941,959)	(3,941,959)
Total Liabilities & Shareholders' Equity	$122,272,779	$108,127,409

* At cost (LIFO).
# Less accumulated depreciation and amortization.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.30	2.90
%Net Income to Sales	1.76	1.48
%Net Income to Equity	12.47	11.75
Sales to Inventories	6.11	6.76
Working Capital	$ 66,967,456	$ 61,838,555
Current Ratio	2.83	3.21
Shareholders' Equity	$ 70,331,660	$ 63,103,000

Ruddick Corporation

2000 First Union Plaza
Charlotte, North Carolina 28282
(704) 372-5404

Officers: R. Stuart Dickson, chairman of the board; Alan T. Dickson, president; Herman B. McManaway, v.p.-finance; J.L. Overton, controller & treasurer; D.B. Williford, asst. treasurer & secretary; James O. Stephens, asst. secretary; Mickey F. Frye, asst. treasurer.

Directors: A.W. Bell, James G. Cannon, Alan T. Dickson, Thomas M. Belk, Hugh L. McColl, Jr., R. Stuart Dickson, Roddey Dowd, W.T. Harris, Jord H. Jordan, Jr., Charles ! . Sigmon, George R. Smith, Willis L. Teeter.

Busiaess Activities: A holding company, operating supermarkets in North and South Carolina, Tennessee and Georgia through its subsidiary, Harris-Teeter Super Markets, Inc. The company also controls various manufacturing operations.

Subsidiaries:

Harris-Teeter Supermarkets, Inc.
P.O. Box 33129
Charlotte, North Carolina 28233
(704) 392-7471
Operates 80 supermarkets in North and South Carolina, Georgia and Tennessee.

American & Efird Mills, Inc.
Mount Holly, North Carolina 28130
(704) 827-4311
Primarily a manaufacturer of industrial sewing thread and also produces sales yarn.

Jordan Business Forms, Inc.
P.O. Box 668306
Charlotte, North Carolina 28266
(704) 394-2121
Producer and distributor of a broad line of business forms.

Ruddick Investment Company (RIC)
2000 First Union Plaza
Charlotte, North Carolina 28282
(704) 372-5404
Ventuge capital investments.

Transfer Agent(s):

North Carolina National Bank
Charlotte, North Carolina

Stock Exchange(s): American

Ticker Symbol: RDK

Number of Stores: (at fiscal year end)

1979	80	1976	64
1978	76	1975	63
1977	66		

Ruddick Corporation

Sales and Earnings†

	Net Sales +	Net Income
1979	$425,140,000	$ 6,704,000
1978	388,587,000	6,472,000
1977	325,723,000	5,869,000
1976*	280,932,000	4,107,000
1975	228,495,000	1,157,000

	No. of Com. Shares ‡	Earn. per Shares ‡
1979	2,319,930	$1.67
1978	2,316,768	1.61
1977	2,312,869	1.46
1976	2,312,865	1.02
1975	2,312,865	0.08

* 53 weeks.
† Restated to reflect capitalization of leases.
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
American & Efird, Mills.	$ 78,607	$ 91,452
Harris-Teeter Super Markets	329,614	284,907
Jordan Business Forms	16,919	12,228
Total	$ 425,140	$ 388,587

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.42	—	—
1978	0.42	—	—
1977	0.35	—	—
1976	0.12	—	—

Common Stock Equity†

	Total Equity ‡	Equity Per Share #
1979	$ 34,652,420	$14.94
1978	29,856,610	12.89

† Restated to reflect capitalizaton of leases.
‡ After allowing for preference stock at liquidation value.
# Based on the average number of shares outstanding.

Income Account *

Year ended	9/30/79	10/1/78 †
Net sales	$425,140,000	$388,587,000
Cost of sales	341,669,000	316,233,000
Expenses	67,103,000	59,421,000
Other income	(535,000)	(3,196,000)
Interest expense	4,964,000	4,788,000
Income before taxes	$ 11,939,000	$ 11,341,000
Income taxes	5,235,000	4,869,000
Net Income	$ 6,704,000	$ 6,472,000

* Included in Costs and Expenses. Depreciation and Amortization: $4,522,000 in 1979 and $4,226,000 in 1978.
† Restated to reflect capitalization of leases.

Assets

As of	9/30/79	10/1/78†
Cash	$ 2,683,000	$ 5,467,000
Accts. receiv., net	12,693,000	13,929,000
* Inventories	43,233,000	40,541,000
Other assets	2,698,000	1,166,000
Income taxes	601,000	601,000
Current Assets	$ 61,908,000	$ 61,704,000
# Fixed assets	41,175,000	34,337,000
Leased prop. under cap. leases	28,321,000	24,752,000
Investments & other assets	6,590,000	8,115,000
Total Assets	$137,994,000	$128,908,000

Liabilities

Bank loans	$ 207,000	$ 231,000
Long-term debt, curr.	1,785,000	1,934,000
Oblig. under capital lease	896,000	820,000
Accts. payable	16,582,000	15,555,000
Income taxes	2,665,000	1,265,000
Other liabilities	7,975,000	8,125,000
Curr. Liabilities	$ 30,110,000	$ 27,930,000
Long-term debt	22,844,000	24,920,000
Oblig. under capital lease	31,110,000	26,942,000
Deferred inc. taxes	1,893,000	1,854,000
+ Preference stock	8,692,000	8,703,000
+ + Common stock	2,420,000	2,418,000
Add. paid-in capital	457,000	449,000
Retained earnings	40,843,000	36,067,000
Treasury stock	(375,000)	(375,000)
Total Liabilities & Shareholders' Equity	$137,994,000	$128,908,000

‡ Restated to reflect capitalization of leases.
* At lower of cost or market; 52% at FIFO; remainder at LIFO.
# Less accumulated depreciation.
+ $5 par value; noncumulative, $0.56 convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.81	2.92
%Net Income to Sales	1.58	1.67
%Net Income to Equity	12.88	13.69
Sales to Inventories	$ 31,798,000	$ 33,774,000
Current Ratio	2.06	2.21
Shareholders' Equity	$ 52,037,000	$ 47,262,000

Russell, Burdsall & Ward Corporation

8100 Tyler Boulevard
Mentor, Ohio 44060
(216) 255-1500

Officers: John J. Lohrman, chairman & chief exec. officer; David A. Spoehr, sr. v.p.-sales; Edward J. Hamilton, v.p.-finance & secretary; Larry B. Meares, v.p.-human resources; Nathan Hoffman, Allan Mandell, James. A. Wassong, John B. Kelly, v.p.'s; Stanley Belsky, group v.p.-industrial products; Joseph Gorn, v.p.-operations, Metal Forming Division; John F. McCabe, Jr., treasurer; Henry K. Leutz, asst. secretary.

Directors: John J. Lohrman, chairman of the board; John P. Birkelund, Francis A. Coy, Herbert J. Deitz, Rudolph Eberstadt, Jr., John B. Gates, Frederick J. Mancheski, Julien L. McCall.

Business Activities: Engaged in the manufacturing, marketing and distributing of industrial fasteners and other metal parts. Through it's Mangel Stores Division, operates ladies' specialty stores.

Division(s):

Mangel Stores Division
5611 Tonnelle Avenue
North Bergen, New Jersey 07047

Metal Forming Division
Mentor, Ohio 44060

Transfer Agent(s):

National Bank of North America
80 Pine Street
New York, New York 10005

Stock Exchange(s): American

Number of Stores:

1979	61	1977	63
1978	60		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$154,470,000	$ 1,845,000
1979	140,935,000	3,891,000
1978	27,998,000	(73,000)
1977	19,392,000	(439,000)
1976	35,332,000	21,876,000

	No. of Com. Shares	Earn. per Share †‡
1980	3,204,019	$0.56
1979	3,196,165	1.21
1978	2,843,356	—
1977	2,446,814	—
1976	1,347,243	8.08

(Loss)
† Based on the average number of common shares outstanding.
‡ Including extraordinary gains of $271,000 ($0.08 per share) in 1980, $1,414,000 ($0.44 per share) in 1979, $289,000 in 1978, $733,000 in 1977 and $22,753 ($8.40 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 12,364,000	$3.86
1979	10,493,000	3.28
1978	6,281,000	2.21
1977	5,969,000	2.44
1976	7,000,000	5.20

Income Account
(000's)

Year ended	2/2/80	2/3/79
Net sales	$ 154,470	$ 140,935
Cost of sales	125,272	113,363
Expenses	22,280	18,864
Depreciation & amortization	630	513
Other income	(479)	(670)
Interest expense	4,581	4,807
Income before taxes	$ 2,186	$ 4,058
Income taxes	612	1,581
Net Income	$ 1,574	$ 2,477
Extraordinary gain	271	1,414
Net Income & extraordinary gain	$ 1,845	$ 3,891

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 417	$ 702
Cash in escrow	62	355
Accts. receiv., net	18,170	17,348
*Inventories	29,580	34,963
Prepaid expenses & supplies	4,118	3,566
Current Assets	$ 52,347	$ 56,934
Land held for sale	—	1,406
#Fixed assets	6,806	5,602
Other assets	1,139	1,431
Total Assets	$ 60,292	$ 65,373

Liabilities
(000's)

Notes payable	$ —	$ 14,429
Long-term debt, curr.	542	2,577
Accts. payable	9,624	7,658
Accruals	5,537	6,127
Curr. Liabilities	$ 15,703	$ 30,791
Long-term debt	26,386	18,781
Other liabilities	5,839	5,308
+Common stock	3,220	3,213
Add. paid-in capital	6,242	6,223

Retained earnings	2,902	1,057
Total Liabilities & Shareholders' Equity	$ 60,292	$ 65,373

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value

Statistical Summary

%Income before Taxes to Sales	1.42	2.88
%Net Income to Sales	1.02	1.76
%Net Income to Equity	12.73	23.61
Sales to Inventories	5.22	4.03
Working Capital	$ 36,644,000	$ 26,143,000
Current Ratio	3.33	1.85
Shareholders' Equity	$ 12,364,000	$ 10,493,000

Safeway Stores, Incorporated

Fourth and Jackson Streets
Oakland, California 94660
(415) 891-3000

Officers: Peter A. Magowan, chairman of the board & chief executive officer; Dale L. Lynch, president & chief operating officer; Edward N. Henney, sr. v.p.-supply operations; John L. Repass, sr. v.p.-personnel & industrial relations; J.A. Rowland, sr. v.p.-retail; Harry D. Sunderland, sr. v.p.-finance; Robert J. Van Gemert, sr. v.p.-law, secretary & general counsel; Clifford L. Gant, v.p. & controller; Philip G. Horton, v.p.-real estate, industrial design & construction, retail engineering, warehouse & transportation services; Neils V. Lawson, v.p.-management info. services; James M. McGinty, v.p. & treasurer.

Directors: John F. Bookout*, Dale L. Lynch, William H. Webster*, Brayton Wilbur, Jr.*, Percy Chubb III*, Charles De Bretteville*, Malcolm P. Grover*, Mary Gardiner Jones*, Roger D. Lapham, Jr.*, James A. Rowland, Merrill L. Magowan*, W.S. Mitchell*, W. Maurice Young*, Edward N. Henney, Marjorie S. Kinney, Peter A. Magowan.

*Member of Executive Committee.

Business Activities: Operates a chain of supermarkets in the United States, Canada, The United Kingdom, West Germany, and Australia.

Subsidiaries:

Canada Safeway Limited
Safeway Food Stores Limited (United Kingdom)
Australian Safeway Limited
"Safeway" Supermarket GmbH (West Germany)
Johs. Esmarch's Eftf. A/S (Denmark)

Transfer Agent(s):

The Chase Manhattan Bank N.A.
New York, New York

Crocker National Bank
San Francisco, California

Stock Exchange(s)*: New York, Pacific, Boston, Midwest.

* Listed and /or traded.

Ticker Symbol: SA

Number of Stores: (at fiscal year end)

1979	2,425	1976	2,438
1978	2,436	1975	2,451
1977	2,428		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1979	$ 13,717,861	$ 143,323
1978	12,550,569	146,118
1977	11,249,398	102,305
1976	10,442,531	100,843
1975*	9,716,889	146,254

	No. of Com. Shares	Earn. per Share #
1979	26,115,917	$5.49
1978	26,096,966	5.60
1977	26,046,885	3.93
1976	25,985,006	3.89
1975*	25,932,175	5.64

* 53 weeks.
# Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.60	—	—
1978	2.30	—	—
1977	2.20	—	—
1976	2.05	—	—
1975	1.90	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1979	$ 1,012,614	$38.77
1978	936,374	35.88
1977	848,587	32.58
1976	801,345	30.84
1975	751,598	[illegible]98

Income Account *
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 13,717,861	$ 12,550,569
Cost of sales	10,793,874	9,829,071
Expenses	2,620,415	2,371,949
Oper. profit	$ 303,572	$ 349,549
Other income	14,447	9,135
Total	$ 318,019	$ 358,684
Interest expense	91,276	74,110
Other charges	1,964	7,856
Income before taxes	$ 224,779	$ 276,718
Income taxes	81,456	130,600
Net Income	$ 143,323	$ 146,118

* Included in Costs and Expenses. Depreciation and Amortization: $183,955,000 in 1979 and $166,623,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 97,872	$ 136,531
Receiv., net	60,094	52,104
* Inventories	981,305	924,479
Prepaid expenses	68,543	70,276
Current Assets	$ 1,207,814	$ 1,183,390
# Fixed assets	1,091,465	925,361
Other assets	31,157	28,794
† Prop. under cap. leases	770,332	698,222
Total Assets	$ 3,100,768	$ 2,835,767

Liabilities
(000's)

Notes payable	$ 136,792	$ 57,34[illegible]
Long-term debt, curr.	7,223	6,793
Cap. lease oblig. curr.	44,273	41,084
Accts. payable and accruals	873,333	808,070
Income taxes	19,599	56,908
Curr. Liabilities	$ 1,081,220	$ 970,197
Long-term debt	109,477	114,436
Cap. lease oblig.	846,179	766,298
Deferred inc. taxes	—	6,202
Accrued claims	51,278	42,260
+ Common stock	43,527	43,495
Add. paid-in capital	63,437	62,690
Retained earnings	905,651	830,189
Total Liabilities & Shareholders' Equity	$ 3,100,768	$ 2,835,767

* Store and warehouse finished goods inventories of grocery items valued by retail inventory method on a LIFO basis. All other inventories at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
† Less accumulated amortization.
+ $1.66⅔ par vale.

Statistical Summary

%Income bef. Taxes to Sales	1.64	2.20
%Net Income to Sales	1.04	1.16
%Net Income to Equity	14.15	15.60
Sales to Inventories	13.98	13.58
Working Capital	$ 126,594,000	$ 213,193,000
Current Ratio	1.12	1.22
Shareholders' Equity	$1,012,614,000	$ 936,374,000

Sage International Inc.

4645 Beechnut Street
Houston, Texas 77096
(713) 666-2611

Officers: Murray Gomer, chairman of the board; Sherwin S. Newar, president; Marvin J. Gerber, Jerry Kalmin, vice presidents; Arthur L. Rockoff, treasurer and secretary; William J. Mayo, assistant secretary.

Directors: Murray Gomer, Sherwin S. Newar, Harry Rosmarin, Marvin J. Gerber, Arthur L. Rockoff

Business Activities: Operates discount department stores in Texas and California under the name Sage Department Stores. Also operates Sage Super Drug Stores.

Transfer Agent(s):

Southern National Bank
Houston, Texas

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	9	1977	9
1979	8	1976	8
1978	9		

Sales and Earnings

	Net Sales	Net Income
1980	$ 24,027,099	$ (286,666)
1979	24,783,310	65,503
1978	24,157,924	(39,072)
1977	23,821,889	136,768
1976	21,785,054	213,930

	No. of Com. Shares	Earn. per Share #
1980	283,532	$ —
1979	283,532	0.23
1978	283,532	—
1977	283,532	0.48
1976	283,532	0.78

(Loss)
# Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,026,993	$7.15
1979	2,313,659	8.16
1978	2,248,156	7.93

Sage International Inc.

Income Account

Year ended Jan. 31	1980	1979
Net sales	$ 24,027,099	$ 24,783,310
Other income	1,800,278	2,112,306
Total income	$ 25,827,377	$ 26,895,616
Cost of sales	18,668,117	19,246,628
Expenses	6,722,185	6,637,849
Prov. for lease term	(92,438)	—
Depreciation & amortization	460,143	495,826
Int. on cap. lease oblig.	291,959	341,575
Interest expense	104,853	85,543
Income (loss) before taxes	$ (327,442)	$ 88,195
Income taxes (credit)	(40,776)	22,692
Net Income (Loss)	$ (286,666)	$ 65,503

Assets

As of Jan. 31	1980	1979
Cash	$ 579,244	$ 336,968
Accts. receiv., net	603,272	794,999
Refundable taxes	62,520	—
*Inventories	3,344,129	4,005,331
Prepaid expenses	123,856	202,198
Current Assets	$ 4,713,021	$ 5,339,496
#Fixed assets	2,519,915	2,927,206
Defer. charges & other assets	637,640	618,365
Total Assets	$ 7,870,576	$ 8,885,067

Liabilities

	1980	1979
Notes payable	$ 150,000	$ —
Long-term debt, curr.	222,057	280,209
Cap. lease oblig., curr.	302,846	327,368
Accts. payable	1,554,258	2,030,115
Accruals	489,535	525,154
Curr. Liabilities	$ 2,718,696	$ 3,162,846
Long-term debt	542,966	354,234
Cap. lease oblig.	2,488,761	2,950,052
Rental & change deposits	93,160	104,276
+Common stock	391,920	391,920
Add. paid-in capital	25,450	25,450
Retained Earnings	2,711,512	2,998,178
Treasury stock	(1,101,889)	(1,101,889)
Total Liabilities & Shareholders' Equity	$ 7,870,576	$ 8,885,067

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	—	0.36
%Net Income to Sales	—	0.26
%Net Income to Equity	—	2.83
Sales to Inventories	7.18	6.19
Working Capital	$ 1,994,325	$ 2,176,650
Current Ratio	1.73	1.69
Shareholders' Equity	$ 2,026,993	$ 2,313,659

Sage-Allen & Co., Inc.

900 Main Street
Hartford, Connecticut 06103
(203) 278-2570

Officers: Lafayette Keeney, chairman of the board, chief executive officer & treasurer; Charles Allen Haine, president & chief operating officer; William Synnott, executive v.p., chief financial officer & asst. treasurer; Frank L. Toro, v.p.-operations; Douglas D. Anderson, Thomas G. Tacey, v.p.'s & gen. merch. mgr.'s; Rebecca Gilbert, v.p.-personnel; Craig A. Fleming, v.p.-branch stores; John J. Tesorero, Jr., v.p.-sales promotion; Normand F. Allen, div. mdse., mgr. & asst. secretary; Allen Lynn Westphal, secretary.

Directors: F. Russell Abell, Normand F. Allen, Charles Allen Haine, Lafayette Keeney, Bertrand L. McTeague, Jane Allen Merrick, S. Michael Schatz, William Synnott, William K. Walton, Allen Lynn Westphal.

Business Activities: Operates a chain of 13 specialty department stores in Connecticut.

Transfer Agent(s):

The Connecticut Bank & Trust Company
One Constitution Plaza
Hartford, Connecticut 06103

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SGAL (NASDAQ)

Number of Stores: (at fiscal year end)

1980	13	1977	13
1979	13	1976	13
1978	12		

Sales and Earnings

	Net Sales	Net Income
1980	$ 49,822,135	$ 1,255,917
1979*	44,290,890	990,691
1978	39,707,945	607,352
1977	37,705,634	418,632
1976	35,929,374	366,646

	No. of Com. Shares	Earn. per Share #
1980	730,669	$1.68
1979	744,669	1.31
1978	756,669	0.80
1977	756,669	0.55
1976	756,669	0.48

* 53 weeks.
# Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.24	—	—
1978	0.24	—	—
1977	0.24	—	—
1976	0.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 11,268,249	$15.15
1979	10,285,326	13.70
1978	9,498,875	12.55

Income Account*

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 49,822,135	$ 44,290,890
Cost of sales	30,549,005	26,959,921
Expenses	16,305,089	14,799,173
Interest expense	593,773	579,703
Other income	(137,649)	(22,598)
Income before taxes	$ 2,511,917	$ 1,974,691
Income taxes	1,256,000	984,000
Net Income	$ 1,255,917	$ 990,691

* Included in Costs and Expenses, Depreciation and Amortization: $663,128 in 1980 and $685,277 in 1979.

Assets

As of	2/2/80	2/3/79
Cash	$ 393,804	$ 453,763
Marketable securities	1,000,469	981,636
Accts. receiv., net	8,909,135	7,528,115
*Inventories	8,013,684	7,389,721
Prepaid expenses	561,879	468,148
Current Assets	$ 18,878,971	$ 16,821,383
#Fixed assets	4,812,129	4,788,107
Prop. under cap. lease	175,042	260,315
Other assets	322,249	328,249
Total Assets	$ 24,188,391	$ 22,198,054

Liabilities

	2/2/80	2/3/79
Long-term debt, curr.	$ 104,952	$ 103,097
Cap. lease oblig., curr.	129,036	131,100
Accts. payable	3,283,181	2,919,471
Accruals	1,662,131	1,467,684
Income taxes	2,270,304	1,752,567
Curr. Liabilities	$ 7,449,604	$ 6,373,919
Long-term debt	5,299,000	5,288,951
Cap. lease oblig.	80,638	208,958
Inc. taxes deferred	90,900	40,900
+Common stock	75,667	75,667
Add. paid-in capital	1,314,687	1,314,687
Retained earnings	9,934,635	8,917,972
Treasury stock	(56,740)	(23,000)
Total Liabilities & Shareholders' Equity	$ 24,188,391	$ 22,198,054

* At cost (LIFO).
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	2/2/80	2/3/79
%Income bef. Taxes to Sales	5.04	4.46
%Net Income to Sales	2.52	2.24
%Net Income to Equity	11.15	9.63
Sales to Inventories	6.22	5.99
Working Capital	$ 11,429,367	$ 10,447,464
Current Ratio	2.53	2.64
Shareholders' Equity	$ 11,268,249	$ 10,285,326

Sam Solomon Company, Inc.

5000 LaCross Road
P.O. Box 10327
North Charleston, South Carolina 29411
(803) 554-9900

Officers: Melvin Solomon, president & chief executive officer; Irvin J. Futeral, v.p.-operations; Stanley Weiner, v.p.-merchandising; Joseph J. Kelly, v.p.-advertising; Michael W. Leibowitz, secretary.

Directors: Melvin Solomon, Jules A. Spar, Judith M. Solomon, Charles D. Ravenel, Theodore S. Stern, Steven B. Grossman.

Business Activities: Catalog/showroom retailer carrying items such as health and beauty aids and household staples, in addition to appliances, jewelry, giftware and other durable goods. Units are located in South Carolina, North Carolina, Georgia and Florida.

Transfer Agent(s):

South Carolina National Bank
Columbia, South Carolina

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SSOL (NASDAQ)

Number of Showrooms: (at fiscal year end)

1979	11	1976	7
1978	10	1975	7
1977	8		

Sales and Earnings

	Net Sales	Net Income
1980	$ 88,034,300	$ 124,600
1979	69,461,400	1,665,600
1978	54,246,300	1,632,100
1977	46,286,200	1,322,000
1976*	42,380,200	429,700

	No. of Com. Shares #	Earn. per Share #
1980	1,743,911	$0.07
1979	1,483,420	1.12
1978	1,286,533	1.27
1977	1,208,133	1.09
1976*	1,200,000	0.36

* 53 weeks.

# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	–	–	–
1979	–	–	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 12,906,400	$7.40
1979	12,845,900	8.66
1978	7,147,600	5.56
1977	5,539,600	4.59

† Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended	1/26/80	1/27/79
Net sales	$ 88,034,300	$ 69,461,400
Cost of sales	67,549,700	51,943,100
Expenses	14,922,300	11,596,300
Depreciation & amortization	1,234,400	1,114,400
Site abandonment	665,300	–
Interest expense	2,793,700	1,655,200
Income before taxes	$ 868,900	$ 3,152,400
Income taxes	339,500	1,486,800
Cum. effect of acctng. change	404,800	–
Net Income	$ 124,600	$ 1,665,600

Assets

As of	1/26/80	1/27/79
Cash	$ 3,979,100	$ 1,579,000
Accts. receiv., net	3,473,900	1,848,800
*Inventories	21,124,700	15,580,900
Prepaid expenses	458,800	445,600
Current Assets	$ 29,036,500	$ 19,454,300
#Fixed assets	15,689,400	14,092,000
Other assets	65,100	59,800
Defer. charges	225,900	1,073,500
Defer. inc. taxes	243,100	–
Total Assets	$ 45,260,000	$ 34,679,600

Liabilities

Notes payable	$ 4,250,000	$ –
Long-term debt, & cap. lease oblig., curr.	1,028,300	948,200
Accts. payable & accruals	13,371,400	5,684,800
Income taxes	320,200	918,000
Curr. Liabilities	$ 18,969,900	$ 7,551,000
Long-term debt	900,000	1,300,000
Cap. lease oblig.	12,483,700	12,759,500
Deferred inc. taxes		223,200
+Common stock	172,100	171,600
Add. paid-in capital	6,726,300	6,716,300
Retained earnings	6,031,000	5,981,000
Treasury stock	(23,000)	(23,000)
Total Liabilities & Shareholders' Equity	$ 45,260,000	$ 34,679,600

* At lower of cost (LIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.99	4.54
%Net Income to Sales	0.14	2.40
%Net Income to Equity	0.97	12.97
Sales to Inventories	4.17	4.46
Working Capital	$ 10,066,600	$ 11,903,300
Current Ratio	1.53	2.58
Shareholders' Equity	$ 12,906,400	$ 12,845,900

Sav-On-Drugs, Inc.

1500 South Anaheim Boulevard
Anaheim, California 92805
(714) 778-2300

Officers; Ira D. Brown, chairman & chief exec. officer; Robert L. Call, president; F. Wayne Withers, exec. v.p., chief financial officer & secretary; C. Lyle Call, exec. v.p.-operations; George E. Grismer, v.p., treasurer & controller; Robert D. Selleck, II, v.p.-real estate; Clifford H. Marker, v.p.-industrial relations; Robert G. Sasine, v.p.-training; M. Dale Short, v.p.-merchandise programs; Carl L. Vitalie, v.p.-pharmacy operations; L. Dee Gardner, v.p.-merchandising; Herschel B. Green, asst. secretary.

Directors: Ira D. Brown, E.C. Call, Don M. Alder, Robert L. Call, Herschel B. Green, C. Lyle Call, Clifford H. Marker, Frank V. Cahouet, Monroe F. Marsh.

Business Activities: Operates a chain of drug stores, under the name "Sav-On-Drugs", in California, Nevada and Houston, Texas which carry drugs, camera supplies, toys, housewares, jewelry, sporting goods, clothing and soft goods, automotive supplies, school supplies, small appliances, gift items, cosmetics and liquor.

Subsidiaries:

Southwest Fixtures, Inc.
16685 East Johnson Drive
City of Industry, California 91744
Manufactures store fixtures.

International Cosmetics, Inc.
2500 Santa Fe Road
Redondo Beach, California 90278
A distributor selling exclusively to the Company.

Sav-On-Realty
1500 South Anaheim Boulevard
Anaheim, California 92805
Land and building development exclusively for Sav-On-Drugs, Inc.

International Wholesale Distributors
300 East Cerritos Avenue
Anaheim, California 92805

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Bradford Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: SVN

Number of Stores: (at fiscal year end)

1979	140	1976	104
1978	132	1975	100
1977	110		

Sales and Earnings

	Net Sales	Net Income
1979	$526,995,000	$ 8,757,000
1978	456,169,000	9,690,000
1977	369,424,000	7,936,000
1976	334,037,000	6,176,000
1975	293,827,000	6,141,000

	No. of Com. Shares	Earn. per Share #
1979	7,426,900	$1.18
1978	7,426,400	1.32
1977	7,313,050	1.09
1976	7,308,700	0.85
1975	7,303,850	0.84

# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.39	–	–
1978	0.30	–	–
1977	0.23	–	–
1976	0.20	–	–
1975	0.15	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 75,844,000	$10.21
1978	69,979,000	9.42
1977	61,937,000	8.47
1976	55,661,000	7.62
1975	50,922,000	6.97

Income Account

Year ended Dec. 31	1979	1978
Net sales	$526,995,000	$456,169,000
Other income	839,000	983,000
Total income	$527,834,000	$457,152,000
Cost of sales	386,842,000	329,155,000
Expenses	116,999,000	103,447,000
Depreciation & amortization	5,034,000	3,954,000
Interest expense	2,344,000	1,398,000
Income before taxes	$ 16,615,000	$ 19,198,000
Income taxes	7,858,000	9,508,000
Net Income	$ 8,757,000	$ 9,690,000

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 2,280,000	$ 5,712,000
*Inventories	77,571,000	71,562,000
Prepaid exp. & assets	4,920,000	3,772,000
Current Assets	$ 84,771,000	$ 81,046,000
#Fixed assets	52,872,000	39,074,000
Other assets	5,473,000	5,370,000
Total Assets	$143,116,000	$125,490,000

Liabilities
(000's)

Long-term debt.	$ 285,000	$ 288,000
Accts. payable	29,051,000	24,742,000
Accruals	7,604,000	6,689,000
Accrued payroll	8,174,000	7,448,000
Income taxes	1,913,000	2,841,000
Current Liabilities	$ 47,027,000	$ 42,008,000
Long-term debt	20,245,000	13,503,000
+Common stock	4,969,000	4,969,000
Add. paid-in capital	9,916,000	9,912,000
Retained earnings	60,959,000	55,098,000
Total Liabilities & Shareholders' Equity	$143,116,000	$125,490,000

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation and amortizaton.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.15	4.21
%Net Income to Sales	1.66	2.12
%Net Income to Equity	11.55	13.85
Sales to Inventories	6.79	6.37
Working Capital	$ 37,744,000	$ 39,038,000
Current Ratio	1.80	1.93
Shareholders' Equity	$ 75,844,000	$ 69,979,000

Schaak Electronics, Inc.

1415 Mendota Heights Road
St. Paul, Minnesota 55120
(612) 454-6830

Officers: Richard L. Schaak, president & treasurer; Paul R. Ginther, exec. v.p.; Towru Nagano, v.p.-corporate development; John H. Sarles, Jr., v.p.-finance; Patrick H. O'Neill, secretary; David C. Larson, v.p.-controller; Bruce E. Yoder, asst. secretary & asst. controller.

Directors: Richard L. Schaak, Paul R. Ginther, Galen M. Cadie, Patrick H. O'Neill.

Business Activities: Primarily a retailer of high fidelity sound equipment, serving its customers through twenty-four company owned retail sales centers and four licensees. In addition, the company wholesales high fidelity equipment to smaller dealers and manufactures a line of high fidelity speakers.

Transfer Agent(s):

American National Bank and Trust Company
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHAA (NASDAQ)

Number of Stores: (at fiscal year end)

	Company Owned	Franchised
1979	34	4
1978	27	4
1977	21	4

Sales and Earnings

	Net Sales	Net Income †
1979	$ 40,942,602	$ 1,815,823
1978	31,198,819	1,331,165
1977	19,510,532	1,246,273
1976	14,920,628	836,998
1975	17,662,199	(1,327,160)

	No. of Com. Shares ≠	Earn. per Share † ≠
1979	1,274,014	$1.43
1978	1,308,195	1.02
1977	1,291,602	0.97
1976	1,264,956	0.66
1975	1,187,199	—

(Loss)
† Including extraordinary gains of $565,000 ($0.44 per share) in 1977 and $526,725 ($0.42 per share) in 1976.
≠ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	50%	—
1978	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 5,433,724	$4.27
1978	3,608,296	2.76
1977	2,259,083	1.75
1976	1,007,388	0.80

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended May 31	1979	1978
Net sales	$ 40,942,602	$ 31,198,819
Cost of sales	27,103,217	20,916,202
Expenses	10,145,344	7,552,103
Interest expense	276,218	218,349
Income before taxes	$ 3,417,823	$ 2,512,165
Income taxes	1,602,000	1,181,000
Net Income	$ 1,815,823	$ 1,331,165

* Included in Costs and Expenses, and Depreciation: $366,841 in 1979 and $282,960 in 1978.

Assets

As of May 31	1979	1978
Cash	$ 934,034	$ 433,034
Accts. receiv., net	743,041	594,558
* Inventories	8,792,446	6,272,865
Prepaid expenses & other assets	126,030	111,340
Current Assets	$ 10,595,551	$ 7,411,797
≠ Fixed assets	2,651,750	2,363,519
Total Assets	$ 13,247,301	$ 9,775,316

Liabilities

Notes payable	$ —	$ 500,000
Long-term debt, curr.	24,520	22,251
Accts. payable	3,237,537	1,450,801
Accrued payroll	320,848	231,496
Income taxes	630,711	1,043,955
Other liabilities	630,923	491,960
Curr. Liabilities	$ 4,844,539	$ 3,740,463
Long-term debt	2,833,038	2,357,557
Deferred inc. taxes	136,000	69,000
+ Common stock	129,196	84,227
Add. paid-in capital	1,504,781	1,540,145
Retained earnings	3,799,747	1,983,924
Total Liabilities & Shareholders' Equity	$ 13,247,301	$ 9,775,316

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.35	8.05
%Net Income to Sales	4.44	4.27
%Net Income to Equity	33.42	36.89
Sales to Inventories	4.66	4.97
Working Capital	$ 5,751,012	$ 3,671,334
Current Ratio	2.19	1.98
Shareholders' Equity	$ 5,433,724	$ 3,608,296

Schottenstein Stores Corporation

(65% owned by Value City Incorporated)

3251 Westerville Road
Columbus, Ohio 43224
(614) 471-4711

Officers: Alvin E. Schottenstein, president; Saul Shottenstein, vice president; Jerome Schottenstein, secretary; Kenneth P. Jorgensen, treasurer; Irving Harris, asst. secretary.

Directors: Alvin E. Schottenstein, Saul Schottenstein, Jerome Schottenstein, Irving Harris, Kenneth P. Jorgensen.

Business Activities: Operates a chain of Value City Department Stores engaged in the retail sales of consumer merchandise, including ladies', men's, boys' and girl's wearing apparel, domestics, shoes, household appliances, housewares, hardware, toys, jewelry and other items. Certain departments such as health and beauty aids, automotive, musical records and snack bars are licensed to other companies. The company's full line department stores are located in Ohio, Kentucky and Indiana. Also operates junior department stores in Texas, under the name Levine's.

Transfer Agent(s):

The Ohio National Bank
Columbus, Ohio

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	25	1976	12
1978	17	1975	11
1977	14		

Sales and Earnings

	Net Sales	Net Income‡
1979	$ 96,878,702	$ 5,902,194
1978	83,067,606	4,066,088
1977	72,223,435	5,685,746
1976	57,623,630	3,684,805
1975	50,248,205	2,945,034

	No. of Com. Shares +	Earn. per Share ≠ ‡
1979	1,590,940	$3.71
1978	1,592,758	2.55
1977	1,592,758	3.56
1976	1,602,758	2.30
1975	1,602,758	1.84

‡ Including extraordinary gain of $81,430 ($0.10 per share) in 1976.
≠ Based on the average number of shares outstanding adjusted to reflect stock splits.
+ Adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.18	—	—
1978	0.135	—	2-for-1
1977	0.12	—	—
1976	0.085	—	3-for-2
1975	0.06	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 34,514,238	$21.69
1978	28,931,406	18.16
1977	25,080,320	15.75

Income Account *

Year ended July 31	1979	1978
Net sales	$ 96,878,702	$ 83,067,606
Cost of sales	60,642,902	52,551,408
Income from leased depts.	(2,611,907)	(2,251,443)
Equity in earnings of partnerships	(648,636)	(553,800)
Carrying charges	(183,254)	(201,025)
Gain on purchase	(2,394,034)	(2,638,230)

Expenses	30,173,712	27,699,336
Interest income	(671,133)	(406,213)
Interest expense	1,946,984	1,646,051
Other income	(416,882)	(466,030)
Income before taxes	$ 11,040,950	$ 7,687,552
Income taxes	5,138,756	3,621,464
Net Income	$ 5,902,194	$ 4,066,088

* Included in Costs and Expenses, Depreciation and Amortization: $1,560,801 in 1979 and $1,388,949 in 1978.

Assets

As of July 31	1979	1978
Cash	$ 4,555,282	$ 4,391,534
Comm. paper	1,700,000	—
Accts. receiv., net	3,090,026	2,900,082
* Inventories	27,799,774	24,179,404
Investment	724,755	311,026
Prepaid expenses & taxes	128,214	762,512
Current Assets	$ 37,998,051	$ 32,544,558
Investments	4,441,305	2,634,125
# Fixed assets	20,204,898	19,580,701
Other assets	740,160	2,770,770
Total Assets	$ 63,384,414	$ 57,530,154

Liabilities

Notes payable	$ 506,158	$ 1,010,000
Long-term debt, curr.	1,429,468	1,609,145
Accts. payable	9,387,497	9,375,160
Accruals	2,302,248	2,089,224
Income taxes	886,722	72,921
Curr. Liabilities	$ 14,512,093	$ 14,156,450
Long-term debt	14,358,083	14,442,298
+ Common stock	1,602,758	1,602,758
Add. paid-in capital	1,178,344	1,178,344
Retained earnings	31,865,860	26,250,304
Treasury stock	(132,724)	(100,000)
Total Liabilities & Shareholders' Equity	$ 63,384,414	$ 57,530,154

* At lower of cost or market determined by the retail method.
# Less accumulated depreciation and amortization.
+ No par value: $1 stated vaule.

Statistical Summary

%Income bef. Taxes to Sales	11.40	9.25
%Net Income to Sales	6.09	4.89
%Net Income to Equity	17.10	14.05
Sales to Inventories	3.48	3.44
Working Capital	$ 23,485,958	$ 18,388,108
Current Ratio	2.62	2.30
Shareholders' Equity	$ 34,514,238	$ 28,931,406

Schultz Sav-O Stores, Inc.

2215 Union Avenue
Sheboygan, Wisconsin 53081
(414) 457-4433

Officers: Howard C. Dickelman, chairman of the board & president; Gerald G. Grube, sr. vice president-finance and treasurer; J. D. Ison, v.p. & dir. corp. operations; James H. Dickelman, v.p. & dir.-grocery merchandising; Oscar W. Ward, v.p. & dir.-meat merchandising; Frank D. Welch, v.p. & dir.-engineering; Jacob A. Stroo, secretary.

Directors: Herbert A. Schultz, Howard C. Dickelman*, James H. Dickelman, Gerald G. Grube*, Jacob A. Stroo, Bernard S. Kubale, David Sweeney, J.D. Ison*, Thomas Fox.

* Member of Executive Committee.

Business Activities: Operates 36 corporate Piggly Wiggly supermarkets and Sav-U and supplies 18 franchise stores in east-central Wisconsin and the Hillman Stop & Shop chain in Chicago. In addition to servicing this group, they also supply dry groceries, fresh produce, dairy and meat products to retail food operations in Wisconsin.

Division:

Springtime Beverage Division.

Transfer Agent(s):

Citizens Bank of Sheboygan
Sheboygan, Wisconsin.

Stock Exchange(s): Over-the-Counter

Number of Stores:*(at fiscal year end)

1979	34	1976	36
1978	35	1975	34
1977	35		

* Corporate owned stores only.

Sales and Earnings

	Net Sales	Net Income
1979	$261,950,674	$ 1,871,168
1978	219,373,195	1,263,516
1977	188,990,390	778,480
1976	169,529,696	902,306
1975*	153,880,174	756,752

	No. of Com. Shares‡	Earn. per Share‡
1979	524,963	$3.55
1978	524,963	2.39
1977	524,963	1.47
1976	524,963	1.70
1975	524,963	1.42

* 53 weeks.
‡ Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	10%	—
1978	0.44	10%	—
1977	0.41	—	—
1976	0.39	—	—
1975	0.33	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share†
1979	$ 8,690,901	$16.56
1978	7,086,757	13.50
1977	6,066,455	11.56
1976	5,513,997	10.50

‡ After allowing for preferred stock at par value of $100 per share.
† Adjusted to reflect stock dividends.

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$261,950,674	$219,373,195
Cost of sales	254,586,522	213,248,857
Expenses	3,601,133	3,206,047
Interest expense	689,162	706,809
Other income	(485,311)	(145,034)
Income before taxes	$ 3,559,168	$ 2,356,516
Income taxes	1,688,000	1,093,000
Net Income	$ 1,871,168	$ 1,263,516

* Included in Costs and Expenses, Depreciation and Amortization: $1,485,610 in 1979 and $1,348,082 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 728,292	$ 2,497,743
Accts. receiv., net	1,197,458	994,146
*Inventories	10,764,498	9,765,677
Prepaid expenses	254,103	220,443
Receiv. under capital sublease agrmts., curr.	202,476	180,152
Current Assets	$ 13,146,827	$ 13,658,161
Investments & other assets	409,032	341,517
# Fixed assets	10,173,915	8,361,359
Receiv., under capital sublease agrmts.	1,459,800	1,493,116
Leased property	3,549,268	3,746,410
Total Assets	$ 28,738,842	$ 27,600,563

Liabilities

Long-term debt, curr.	$ 369,207	$ 368,962
Accts. payable	6,901,731	7,426,141
Accruals	2,661,335	2,086,037
Reserve for income taxes	444,448	627,482
Oblig. under capital lease curr.	473,064	438,035
Curr. Liabilities	$ 10,849,785	$ 10,946,657
Long-term debt	3,050,651	3,414,643
Oblig. under capital lease	5,327,883	5,518,884
Deferred inc. taxes	519,622	333,622
+ Preferred stock	300,000	300,000
+ + Common stock	524,963	477,358
Add. paid-in capital	1,592,356	1,099,943
Retained earnings	6,573,582	5,509,456
Total Liabilities & Shareholders' Equity	$ 28,738,842	$ 27,600,563

* At cost which is not in excess of market.
# Less accumulated depreciation and unamortized investment credit.
+ $100 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.36	1.07
%Net Income to Sales	0.71	0.58
%Net Income to Equity	20.81	17.11
Sales to Inventories	24.33	22.46
Working Capital	$ 2,297,042	$ 2,711,504
Current Ratio	1.21	1.25
Shareholders' Equity	$ 8,990,901	$ 7,386,757

Schwartz Brothers, Inc.

2146-24th Place, N.E.
Washington, D.C. 20018
(202) 529-5700

Officers: Stuart Schwartz, chairman of the board & exec. v.p.; James Schwartz, president; Bertram Schwartz, sr. v.p., secretary and treasurer; Jerome Jacobs, v.p.-sales; Melvin Davis, v.p.-finance/administration.

Directors: Stuart Schwartz, James Schwartz, Bertram Schwartz, Joseph R. Cassidy, Milton Lyons.

Business Activities: Regional music merchandisers on the East Coast with its own retail stores (Harmony Hut Stores), wholesale distribution and rack merchandising operations.

Subsidiaries:

Districk Records, Inc.
Harmony Hut, Inc.

Transfer Agent(s):

Riggs National Bank
Washington, D.C.

Schwartz Brothers, Inc.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SWAR (NASDAQ)

Number of Stores: (at fiscal year end)

1978	19
1977	16
1976	15
1975	15
1974	13

Sales and Earnings

	Net Sales	Net Income
1980	$ 30,574,299	$ (147,710)
1979	31,732,698	653,308
1978	29,261,678	551,637
1977	25,006,983	349,636
1976	21,641,971	88,003

	No. of Com. Shares ‡	Earn. per Share ‡
1980	800,630	$ —
1979	810,391	0.81
1978	792,805	0.70
1977	792,687	0.44
1976	794,446	0.11

(Loss)

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues by Line of Business

	1980	1979
Retail sales	$ 18,969,819	$ 18,932,487
Wholesale sales	11,604,480	12,800,211
Total	$ 30,574,299	$ 31,732,698

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	5%	—
1979	0.09	—	

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 5,664,182	$7.07
1979	5,810,593	7.17
1978	5,810,593	7.33
1977	5,229,270	6.60
1976	4,644,601	5.85

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend

Income Account *

Year ended Jan. 31	1980	1979
Net sales	$ 30,574,299	$ 31,732,698
Cost of sales	21,816,552	22,118,631
Expenses	8,722,440	8,066,470
Prov. for est. uncollect.	42,322	8,429
Interest expense	359,861	213,330
Income (loss) bef. taxes	$ (366,876)	$ 1,325,838
Income taxes (credit)	(219,166)	672,530
Net Income (Loss)	$ (147,710)	$ 653,308

* Included in Costs and Expenses, Depreciation and Amortization: $321,783 in 1980 and $286,874 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 579,455	$ 323,906
Comm. paper	1,412,604	2,063,019
Accts. receiv., net	1,487,122	2,091,877
Refundable inc. taxes	266,795	—
Future tax benefits	81,296	75,318
* Inventories	6,833,473	9,467,120
Other assets	128,364	40,035
Current Assets	$ 10,789,109	$ 14,061,275
Cash value of life ins.	250,468	236,447
Unexpended loan proceeds		
≠ Fixed assets	4,234,054	2,683,517
Other assets	272,585	53,757
Total Assets	$ 17,396,712	$ 17,034,996

Liabilities

Long-term debt, curr.	$ 323,511	$ 297,248
Accts. payable	6,414,432	8,723,298
Accruals	516,662	686,642
Income taxes	70,858	210,285
Curr. Liabilities	$ 7,325,463	$ 9,917,473
Long-term debt	4,330,303	1,292,033
Deferred comp.	76,764	14,897
+ Common stock	80,253	76,362
Add. paid-in capital	1,596,470	1,470,070
Retained earnings	3,989,484	4,266,186
Treasury stock	(2,025)	(2,025)
Total Liabilities & Shareholders' Equity	$ 17,396,712	$ 17,034,996

* At lower of cost (LIFO) or market.

≠ Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.18
%Net Income to Sales	—	2.06
%Net Income to Equity	—	11.24
Sales to Inventories		3.35
Working Capital	$ 3,463,646	$ 4,143,802
Current Ratio	1.47	1.42
Shareholders' Equity	$ 5,644,182	$ 5,810,593

SCOA Industries Inc.

155 East Broad Street
Columbus, Ohio 43215
(614) 221-7262

Officers: Herbert H. Schiff, chairman of the board & president; Louis G. Dougherty, sr. v.p.-footwear; Herbert H. Goldberger, sr. v.p.-general merchandising; Frank B. Swartwout, v.p. & general auditor; George R. Friese, sr. v.p.-administration & secretary; Ronald T. Dillard, v.p. & controller; Stanley J. Brockman, v.p.-employee relations; Larry Voelker, treasurer; Joseph E. Andres, Sylvia L. Irvin, William K. Friend, asst. secretaries.

Directors: Herbert H. Schiff, chairman; Robert D. Alexander, Herbert H. Goldberger, Cletus J. Corbett, Gene E. Engleman, Neil Papiano, George R. Friese, Max A. Minnig, Ralph E. Waldo.

Business Activities: Operates Company-owned family shoe stores under the names Gallenkamp, Duet and Shoe World and leased footwear departments in the United States and Canada. Operates 67 Hills Department Stores, discount stores located in nine Eastern and Midwestern states. The Dry Goods operates five promotional department stores in Delaware and New Jersey. Rudnick Company operates leased fabrics and domestic goods departments and Lila's Fabrics Stores. Kelly & Cohen is a chain of 42 major appliance stores operating in Pennsylvania, Ohio, West Virginia, Kentucky and Indiana. Also manufactures and imports footwear.

Divisions & Subsidiaries:

Retail Footwear Division
Columbus, Ohio

Footwear Manufacturing Division
Norrwock Shoe Company
Norridgewock, Maine

SCA International
Columbus, Ohio

Hills Department Stores
Canton, Massachusetts

The Dry Goods
Aston, Pennsylvania

Rudnick Company
Hamden, Connecticut

Kelly & Cohen
Pittsburgh, Pennsylvania

Transfer Agent(s):

Irving Trust Company
New York, New York

Bank One of Columbus, N.A.
Columbus, Ohio

Stock Exchange(s): New York

Ticker Symbol: SOA

Number of Stores: (at fiscal year end)

	Shoe Stores & Depts.	Dept. Stores
1980	731	84
1979	886	72
1978	905	68
1977	882	61
1976	852	54

	Appliance Stores	Domestics Depts.
1980	43	83
1979	42	81
1978	39	76
1977	42	69
1976	41	62

Sales and Earnings

	Net Sales	Net Income ≠
1980	$880,199,000	$ 30,381,000
1979	780,333,000	20,291,000
1978	685,209,000	13,525,000
1977	620,421,000	10,006,000
1976	501,794,000	8,619,000

	No. of Com. Shares	Earn. per Share ‡ ≠
1980	6,306,602	$4.82
1979	6,311,602	3.21
1978	6,307,200	2.14
1977	6,300,067	1.59
1976	6,298,102	1.37

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

≠ Including extraordinary gain of $836,000 ($0.25 per share) in 1975.

Revenues by Line of Business

	1980	1979
General merchandising	$623,385,000	$536,677,000
Footwear	256,814,000	243,656,000
Total	$880,199,000	$780,333,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.015	—	—
1979	0.70	—	3-for-2
1978	0.50	—	5-for-4
1977	0.40	—	—
1976	0.33	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$102,438,000	$16.24
1979	78,571,000	12.45
1978	62,677,000	9.94
1977	52,287,000	8.30
1976	44,772,000	7.11

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account
(000's)

Year ended	1/26/80	1/27/79
Net sales	$ 880,199	$ 780,333
Cost of sales	583,608	520,051
Expenses	233,062	206,234
Depreciation & amortization	8,530	8,262
Other charges	1,752	4,026
Interest expense	2,780	2,394
Gain on sale	(4,923)	—
Income before taxes	$ 55,390	$ 39,366
Income taxes	25,009	19,075
Net Income	$ 30,381	$ 20,291

Assets
(000's)

As of	1/26/80	1/27/79
Cash & marketable securities	$ 91,053	$ 64,929
Receiv., net	10,823	9,000
* Inventories	108,333	105,221
Other assets	3,207	3,144
Current Assets	$ 213,416	$ 182,294
≠ Fixed assets	33,761	25,585
Unexpended construc. funds	2,927	—
Leased prop. under cap. leases	49,778	33,201
Other assets	3,005	2,958
Intangibles	780	1,305
Total Assets	$ 303,667	$ 245,343

Liabilities
(000's)

	1/26/80	1/27/79
Long-term debt, curr.	$ 7,737	$ 6,979
Oblig. under cap. leases, curr.	1,154	955
Accts. payable & accruals	85,604	76,655
Dividends payable	1,703	1,262
Income taxes	10,709	10,045
Curr. Liabilities	$ 106,907	$ 95,896
Long-term debt	35,962	28,893
Oblig. under cap. leases	55,031	38,181
Other liabilities	3,329	3,802
+ Common stock	6,364	6,364
Add. paid-in capital	443	443
Retained earnings	96,181	72,202
Treasury stock	(550)	(438)
Total Liabilities & Shareholders' Equity	$ 303,667	$ 245,343

* At lower of cost (FIFO or retail method) or market.
≠ Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

	1/26/80	1/27/79
%Income bef. Taxes to Sales	6.29	5.04
%Net Income to Sales	3.45	2.60
%Net Income to Equity	29.66	25.83
Sales to Inventories	8.12	7.42
Working Capital	$106,509,000	$ 86,398,000
Current Ratio	2.00	1.90
Shareholders' Equity	$102,438,000	$ 78,571,000

Scot Lad Foods, Inc.

One Scot Lad Lane
Lansing, Illinois 60438
(312) 895-2300

Officers: Walter R. Schaub, chairman of the board; Joseph J. Lickteig, vice chairman, president & chief executive officer; John J. Duggan, senior vice president; Mark A. Waldron, Jr., exec. v.p., treasurer & chief financial officer; Robert T. Cross, senior v.p.; Albert W. Hellwig, adm. v.p. & secretary; Anthony J. Conti, Bernard R. Freeman, John F. Higgie, Edward F. Denk, John P. Laubach, James A. McConnell, vice presidents; Marvin P. Shore, assistant secretary & corporate counsel; J.J. O'Conner, v.p., controller, asst. secretary & asst. treasurer; Ralph J. Kappelman, Norman Waite, Jr., David L. DeMotte, asst. secretary.

Directors: Walter R. Schaub*, Anthony J. Conti, John J. Duggan, Richard Y. Fisher*, William H. Grant, Roy B. Miner, Joseph J. Lickteig*, Donald E. Runge, Edgar C. Staren, Norman Waite, Jr.*, Sidney Ross, Mark A. Waldron, Jr.*

* Member of Executive Committee.

Business Activities: Owns and operates supermarkets and drug stores in Illinois, Indiana, and Ohio; also operates dairy, bakery and distributing facilities for the sale of nationally advertised and private label food products.

Divisions & Subsidiaries:

Dry Grocery Products Divisions

Distributors of grocery and household items, non-critical temperature refrigerated merchandise and tobacco products.

Chicago Grocery Division
Lansing, Illinois
(312) 895-2300

Ohio Grocery Division
Lima, Ohio
(419) 228-3141

Federal Wholesale Division
Eldorado, Illinois
(618) 273-2671

Clarkburg Wholesale Division
Hepzibah, West Virginia
(304) 623-6526

Non-Foods Division

Distributors and service merchandisers of a broad line of health and beauty aids, housewares, hosiery and soft goods, pet supplies, toys and school supplies to supermarkets and discount stores.

Lake End Sales, Inc.
Fort Wayne, Indiana
(219) 749-8561

Frozen Foods Divisions

Service distributors of portion control frozen food products and ice cream.

Redi-Froz, Inc.
South Bend, Indiana
(219) 237-5111

Scot Farms Packing Company
Gary, Indiana
(219) 980-1133

Evansville Food Division
Evansville, Indiana
(812) 423-8034

Scot Farms Division
Lafayette, Indiana
(317) 474-1461

Retail Divisions

Operates 23 supermarkets and 4 super-drug stores in Indiana, Ohio and Illinois. These stores operate under the name Thrift-T-Mart in Illinois and Indiana and under the name Pangles in Ohio.

Garden City Foods, Inc.
Rudy's Markets Division
Scot Drugs Division
All at: Lansing, Illinois
(312) 895-2300

PanglesMaster Markets, Inc.
Lima, Ohio
(419) 227-2636

Other Divisions

Mister Industries, Inc.
Chicago Heights, Illinois
(312) 757-4100

Bakery Division

Bakes and distributes a complete line of bread, rolls and potato chips under the Bonnie label.

Bonnie Baking Division
LaPorte, Indiana
(219) 362-4561

Dairy Divisions

Sells milk, cream, yogurt and other cultured milk products.

Meadowmoor Dairy Division
Chicago, Illinois
(312) 226-3344

Custom Merchandisers, Inc.
Homewood, Illinois
(312) 799-8110

Affiliates:

Convenient Food Mart, Inc. (50% owned)

A national and regional franchisor of bantam supermarkets; 400 stores in 28 states.

Transfer Agent(s):

Continental Illinois National Bank and Trust
Company of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

Stock Exchange(s): New York

Ticker Symbol: SLF

Number of Stores: (at fiscal year end)

	Supermarkets	Drug Stores
1980	25	4
1979	27	4
1978	28	4
1977	42	4
1976	47	4

Sales and Earnings

	Net Sales‡ ≠	Net Income ×
3/29/80	$821,865,000	$ 5,930,000
6/30/79	813,282,000	5,085,000
7/1/78	797,244,000	(18,621,000)
7/2/77	792,948,000	2,081,000
7/3/76*	773,544,000	1,230,000

	No. of Com. Shares ‡‡	Earn. per Share ‡‡ ×
3/29/80	4,380,000	$1.35
6/30/79	4,315,000	1.18
7/1/78	4,305,000	—
7/2/77	4,305,000	0.48
7/3/76	4,266,000	0.28

(Loss)
* 53 weeks.
‡ Of continuing operations only.
‡‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.
≠ Includes operating revenues.
× Including extraordinary credits of $2,644,000 ($0.60 per share) in 1979 and $2,280,000 ($0.53 per share) in 1978.

Scot Lad Foods, Inc.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
3/29/80	$0.05	—	—
6/30/79	—	—	—
7/1/78	0.17	5%	—
7/2/77	0.34	—	—
7/3/76	0.34	—	—

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
3/29/80	$ 33,850,000	$7.73
6/30/79	29,543,000	6.85
7/1/78	24,362,000	5.66
7/2/77	45,983,000	10.68
7/3/76	45,382,000	10.64

‡ After allowing for preferred stock at liquidation value.
# Adjusted to reflect stock dividend.

Income Acount*

Year ended	3/29/80	6/30/79
Net sales & other revenues	$821,865,000	$813,282,000
Cost of sales	732,821,000	722,732,000
Expenses	80,978,000	81,059,00
Interest expense	3,466,000	4,144,000
Cost adjust. arising from store clos.	(1,546,000)	—
Income before taxes	$ 6,146,000	$ 5,347,000
Income taxes	2,860,000	2,542,000
Net Income	$ 3,286,000	$ 2,805,000
Extraord. credit	2,644,000	2,280,000
Net Income & extraord. credit	$ 5,930,000	$ 5,085,000

* Included in Costs and Expenses. Depreciation and Amortization: $3,819,000 in 1980 and $4,058,000 in 1979.

Assets

As of	3/29/80	6/30/79
Cash	$ 9,559,000	$ 11,043,000
Receiv., net	25,048,000	23,601,000
* Inventories	57,064,000	49,210,000
Prepaid expenses	2,994,000	2,574,000
Current Assets	$ 94,665,000	$ 86,428,000
Investments & other assets	2,717,000	3,035,000
# Fixed assets	21,735,000	22,063,000
Capital lease oblig.	16,081,000	16,100,000
Total Assets	$135,198,000	$127,626,000

Liabilities

	3/29/80	6/30/79
Long-term debt, curr.	$ 2,597,000	$ 2,353,000
Accts. payable	37,749,000	30,582,000
Accruals	10,845,000	11,139,000
Income taxes	986,000	1,248,000
Cap. lease oblig. curr.	1,393,000	1,483,000
Accrual for costs arising from store clos.	1,021,000	1,062,000
Curr. Liabilities	$ 54,591,000	$ 47,867,000
Long-term debt	24,931,000	25,534,000
Accruals, non-curr.	4,666,000	7,497,000
Cap. lease oblig.	16,761,000	16,786,000
+ Preferred stock	399,000	399,000
+ + Common stock	4,377,000	4,333,000
Add. paid-in capital	15,993,000	15,851,000
Retained earnings	13,480,000	9,359,000
Total Liabilities & Stockholders' Equity	$135,198,000	$127,626,000

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	0.75	0.66
%Net Income to Sales & Revenues	0.40	0.34
%Net Income to Equity	9.59	9.37
Working Capital	$ 40,074,000	$ 38,561,000
Current Ratio	1.73	1.81
Shareholders' Equity	$ 34,249,000	$ 29,942,000

Scotty's, Inc.

P.O. Box 939
Winter Haven, Florida 33880
(813) 299-1111

Officers: James W. Sweet, chairman of the board and chief executive officer; Ray H. Cooney, president and chief operating officer; Harold W. Taylor, sr. v.p. & secretary; Jay Gentry, v.p.-real estate; Hugh Tuttle, v.p.-retail operations; Dennis W. Stults, v.p. & general sales mgr.; John L. Hutto, v.p.-manufacturing; James E. Howe, v.p.-employee relations; Alice E. Sherman, v.p. & treasurer; Robert M. Hawkins, v.p. & asst. secretary.

Directors: James W. Sweet, chairman; Ray H. Cooney, Harold W. Taylor, Rolland A. Maxwell, John B. Ellis, Sherwin P. Simmons, John M. Miller, P. Scott Linder.

Business Activities: Operates a chain of building supply stores in the state of Florida. Stores operate under the names "Scotty's Home Builders Supply" Stores and "Scotty's Surplus Outlets".

Subsidiary:

Plaid Realty, Inc.
P.O. Box 939
Winter Haven, Florida 33880

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SHB

Number of Stores: (at fiscal year end)

1979	71	1976	59
1978	66	1975	58
1977	63		

Sales and Earnings

	Net Sales	Net Income
1979	$201,153,000	$ 8,353,000
1978	155,996,000	6,505,000
1977	105,735,000	3,426,000
1976	84,637,294	1,898,453
1975	77,512,603	1,829,817

	No. of Com. Shares ‡	Earn. per Share ‡
1979	4,861,000	$1.72
1978	4,755,000	1.37
1977	4,671,000	0.73
1976	4,695,000	0.40
1975	4,689,000	0.39

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.26	—	3-for-2
1978	0.15	—	—
1977	0.10	—	—
1976	0.07	—	—
1975	0.07	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 43,592,000	$8.97
1978	36,050,000	7.58
1977	29,699,000	6.36
1976	27,385,656	5.83
1975	25,798,483	5.50

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account

Year ended	6/30/79	7/1/78
Net sales	$201,153,000	$155,996,000
Cost of sales	141,317,000	109,868,000
Expenses	38,210,000	29,239,000
Depreciation	3,061,000	2,167,000
Rent	1,541,000	1,241,000
Interest expense	1,271,000	751,000
Income before taxes	$ 15,753,000	$ 12,730,000
Income taxes	7,400,000	6,225,000
Net Income	$ 8,353,000	$ 6,505,000

Assets

As of	6/30/79	7/1/78
Cash	$ 1,575,000	$ 776,000
Marketable securities	3,000,000	—
Accts. receiv., net	11,528,000	8,753,000
* Inventories	31,944,000	27,833,000
Current Assets	$ 48,047,000	$ 37,362,000
# Fixed assets	35,436,000	26,933,000
Other assets	273,000	265,000
Total Assets	$ 83,756,000	$ 64,560,000

Liabilities

	6/30/79	7/1/78
Short-term borrowings	$ 1,000	$ 4,500,000
Long-term debt. curr.	1,743,000	1,090,000
Accts. payable & accruals	15,230,000	11,473,000
Income taxes	1,501,000	3,140,000
Curr. Liabilities	$ 18,475,000	$ 20,203,000
Long-term debt	21,689,000	8,307,000
+ Common stock	4,786,000	3,127,000
Add. paid-in capital	9,239,000	10,328,000
Retained earnings	29,567,000	22,640,000
Treasury stock	—	(45,000)
Total Liabilities & Shareholders' Equity	$ 83,756,000	$ 64,560,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.83	8.16
%Net Income to Sales	4.15	4.17
%Net Income to Equity	19.16	18.04
Sales to Inventories	6.30	5.60
Working Capital	$ 29,572,000	$ 17,159,000
Current Ratio	2.60	1.85
Shareholders' Equity	$ 43,592,000	$ 36,050,000

Sears Industries Inc.

800 Second Avenue
New York, New York 10017
(212) 697-2600

Officers: Leonard Sainer, chairman of the board & president; Geoffrey Maitland Smith, vice chairman; Kermit Hiller, Patrick W. Lacey, exec. v.p.'s; Benjamin Spindel, v.p. & treasurer; Thomas J. Ferraro, secretary; Jacob J. Rudner, asst. secretary.

Directors: Leonard Sainer, chairman of the board, Patrick Lacey*, Geoffrey Maitland Smith, Benjamin Spindel*, Leonard H. Steibel*, Kermit Hiller*, Michael Alexander.

* Member of Executive Committee.

Business Activities: Operates retail jewelry stores under the name of Marcus Jewelers in the State of New Jersey and Kester Jewelers in New York City.

Divisions & Subsidiaries:

Consolidated Laundries Division
  Linen rental and laundry business.

Miss Erika Division
  Distributor of ladies' sweaters.

Marcus Jewelers Division
  Retail jewelry stores.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: SIU

Number of Stores: (at fiscal year end)

1979	6

Sales and Earnings

	Net Sales	Net Income‡
1979	$ 66,203,156	$ 4,105,580
1978	59,509,195	1,712,689
1977	52,544,301	(6,036,578)
1976*	42,611,176	(17,391,170)
1975	41,298,384	(803,513)

	No. of Com. Shares	Earn. per Share ≠‡
1979	1,924,855	$2.13
1978	1,924,855	0.89
1977	1,924,855	—
1976	1,924,855	—
1975	1,924,855	—

( ) Loss
* 53 weeks.
≠ Based on the weighted average number of shares outstanding.
‡ Including extraordinary gains of $1,909,291 ($0.99 per share in 1979 and $912,021 ($0.47 per share) in 1978.

Revenues by Line of Business
(000's)

	1979	1978
Consolidated Laundries Div.	$ 50,376	$ 47,649
Miss Erika	13,824	11,860
Marcus Jewelers	2,003	—
Total	$ 66,203	$ 59,509

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 23,807,138	$12.37
1978	19,701,558	10.24
1977	17,988,869	9.35
1976	7,027,864	3.65
1975	24,419,034	12.69

Income Account*

Year ended Dec. 31	12/29/79	12/30/78
Revenues	$ 66,203,156	$ 59,509,195
Cost of sales	50,571,034	48,267,007
Expenses	9,267,631	7,828,066
Interest expense	1,629,809	1,307,233
Other charges (income)	155,328	(19,337)
Income before taxes	$ 4,579,354	$ 2,126,226
Income taxes	2,383,065	1,325,558
Net Income	$ 2,196,289	$ 800,668
Extraord. gain	1,909,291	912,021
Net Income & Extraord. gain	$ 4,105,580	$ 1,712,689

* Included in Costs and Expenses, Depreciation and Amortization: $1,511,074 in 1979 and $1,313,403 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 2,676,381	$ 1,031,613
Short-term invest.	2,185,000	—
Accts. & notes receiv., net	9,931,580	7,770,657
Prepaid exp. and other	227,062	255,154
*Inventories	12,032,440	5,695,409
Current Assets	$ 27,052,463	$ 14,752,833
≠Fixed assets	22,971,135	21,493,756
Other assets	185,182	215,654
Intangibles	1,430,174	1,324,828
Purchased service routes	1,413,967	1,529,034
Total Assets	$ 53,052,921	$ 39,316,105

Liabilities

Notes payable	$ —	$ 265,000
Long-term debt, curr.	1,065,419	1,101,446
Accts. payable & accruals	7,917,945	5,808,918
Income taxes	2,097,155	1,662,043
Curr. Liabilities	$ 11,080,519	$ 8,837,407
Long-term debt	17,712,514	10,324,390
Deferred inc. taxes	452,750	452,750
+Common stock	3,448,359	3,448,359
Add. paid-in capital	3,687,721	3,687,721
Retained earnings	18,049,671	13,944,091
Treasury stock	(1,378,613)	(1,378,613)
Total Liabilities & Shareholders' Equity	$ 53,052,921	$ 39,316,105

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	6.92	3.57
%Net Income to Sales	3.32	1.35
%Net Income to Equity	9.23	4.06
Sales to Inventories	5.50	10.45
Working Capital	$ 15,971,944	$ 5,915,426
Current Ratio	2.44	1.67
Shareholders' Equity	$ 23,807,138	$ 19,701,558

Sears, Roebuck and Co.

Sears Tower
Chicago, Illinois 60684
(312) 875-2500

Officers: Edward R. Telling, chairman of the board & chief executive officer; Edward A. Brennan, president & chief operating officer-merchandising; Jack F. Kincannon, vice chairman of the board & chief financial officer; Joseph T. Moran, Jr., sr. exec. v.p.-merchandising; Charles C. Wurmstedt, sr. exec. v.p.-field; William I. Bass, Jr. exec. v.p.-Eastern Territory; M.E. Burkholder, exec. v.p.-Midwestern Territory; Thomas D. Neal, exec. v.p. Southern Territory; Henry D. Sunderland, exec. v.p.-Far Western Territory; William C. Lochmoeller, exec. v.p.-Southwestern territory; Thomas F. Wands, sr. v.p.-operations; Charles A. Meyer, sr. v.p.-public affairs; John Easter, v.p.-home fashions group; Joseph N. Fisher, v.p. -automotive group; Wayne T. Holsinger, v.p. women's apparel group; Leslie J. Johnson, v.p. -recreation group; John R. Parsons, v.p. women's accessories group; Richard M. Jones, v.p.-finance; Robert R. Thompson, v.p. -home appliances group; John F. Waddle, v.p. -children's apparel group; Lloyd S. McClelland, v.p.-secretary & gen. counsel; Garland K. Ingraham, v.p.-retail sales; James L. Krum, v.p.-mfg. & staff services; Robert P. Tibor, v.p.-logistics; Philip J. Purcell, v.p.-corp. planning; Charles F. Bacon, v.p.-personnel; Vincent J. Graham, v.p.-merchandise adm.; John F. Gallagher, v.p.-intl. operations; Charles W. Harper, v.p.-public relations; Linden E. Wheeler, v.p.-credit; John B. Kelly, Jr., v.p.-catalog sales; Philip M. Knox, Jr., v.p.-govt. affairs; Raymond P. Bilger, v.p.-taxes; Robert E. Wood II, v.p.-home improvement group; George F. Tidmarsh, v.p.-physical distribution; Mumford Miller, v.p.-data proc. & comm.; W. Clayton Hicks, v.p. & comptroller; Clayton H. Banzhaf, v.p. & treasurer; Claude M. Ireson, v.p.-facilities planning; Robert L. Johnson, v.p.-men's apparel group.

Directors: Arthur M. Wood*, William C. Lochmoeller, Edward A. Brennan*, Joseph T. Moran, Jr.*, Henry D. Sunderland, Charles C. Wurmstedt*, Donald H. Rumsfeld*, William O. Beers*, Archie R. Boe*, Jack F. Kincannon*, Julius Rosenwald II, William I. Spencer, Edgar B. Stern, Jr.*, Richard M. Jones, George P. Shultz, Charles A. Meyer*, Norma Pace, Edward R. Telling*, Luther H. Foster, Thomas F. Wands.

* Member of Executive Committee.

Business Activities: The world's largest retailer of general merchandise, Sears distributes broad lines of its own brand name goods through some 3,680 selling locations (including 1,485 independent catalog merchants) located in 50 states, Puerto Rico and Central America. Sales originating in retail units were 89.3 per cent of net sales, including 19.3 per cent from catalogs. Sears is also engaged in the property-liability and life insurance businesses through the wholly owned Allstate Insurance Company and its subsidiaries. Sears also owns Allstate Enterprises, Inc. which is engaged in auto finance, savings and loan, and other businesses. Sears has a 40 per cent equity interest in Simpson-Sears Limited which conducts a retail store and catalog order business in Canada. Unconsolidated subsidiaries, owned from 78 per cent to 100 per cent, conduct retail operations in Brazil, Colombia, Mexico, Peru, Venezuela, and Spain. Sears develops and operates shopping centers through its wholly owned subsidiary, Homart Development Co.

Affiliate:

Simpson-Sears Limited (40% interest)
Toronto, Ontario, Canada

Transfer Agent(s):

Sears Roebuck and Co.
Treasurer's Office-Stock Transfer Div.
Chicago, Illinois 60684

Stock Exchange(s): New York, Midwest, Pacific, London, Basle, Geneva Lausanne, Zurich

Ticker Symbol: S

Number of Stores: (at fiscal year end)

1980	864	1977	859
1979	866	1976	858
1978	862		

Sales and Earnings

	Net Sales ≠ (000's)	Net Income (000's)
1980	$ 17,514,000	$ 810,000
1979	17,946,000	922,000

1978	17,224,000	838,000
1977	14,950,000	694,000
1976	13,640,000	522,000

	No. of Com. Shares †	Earn. per Share †
1980	319,000,000	$2.54
1979	322,400,000	2.86
1978	319,900,000	2.62
1977	317,800,000	2.18
1976	316,100,000	1.65

Including finance charges.
† Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.28	–	–
1979	1.27	–	–
1978	1.08	–	2-for-1
1977	0.95	–	–
1976	0.925	–	–

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 7,467,000	$23.53
1979	7,092,000	21.98
1978	6,524,000	20.27
1977	5,921,000	18.56
1976	5,287,000	16.67

Income Account*
(000's)

Year ended Dec. 31	1980	1979
+ Net sales	$ 17,514,252	$ 17,946,336
Cost of sales	11,045,041	11,304,004
Expenses	5,296,050	5,355,984
Oper. profit	$ 1,173,161	$ 1,286,348
Other income	(7,336)	(6,460)
Minority interest	(528,804)	(566,301)
Prof. sh. plan	54,606	72,181
Interest expense	625,713	522,905
Income before taxes	$ 1,028,982	$ 1,264,023
Income taxes	218,900	342,500
Net Income	$ 810,082	$ 921,523

* Included in Costs and Expenses, Depreciation: $217,617,000 in 1980 and $209,487,000 in 1979.
+ Including finance charge revenues.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 283,908	$ 225,047
Receiv., net	7,164,275	6,779,631
*Inventories	2,651,509	2,533,418
Prepaid expenses & other charges	155,800	138,025
Current Assets	$ 10,255,492	$ 9,676,121
Investments	3,437,903	2,945,889
# Fixed assets	2,712,806	2,619,421
Defer. charges	15,771	20,681
Total Assets	$ 16,421,972	$ 15,262,112

Liabilities
(000's)

Notes payable	$ 3,651,676	$ 3,483,328
Long-term debt, curr.	27,811	73,784
Accts. payable & accruals	1,250,790	1,134,349
Unearned maintenance agmt. income	985,724	931,047
Curr. Liabilities	$ 6,260,645	$ 5,926,112
Long-term debt	2,473,527	2,040,243
Deferred inc. taxes	220,623	204,150
+ Common Stock	877,970	862,377
Retained earnings	6,663,892	6,262,425
Unrealized capital gains (losses)	75,957	(3,415)
Treasury stock	(150,642)	(29,780)
Total Liabilities & Shareholders' Equity	$ 16,421,972	$ 15,262,112

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.75 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.88	7.04
%Net Income to Sales	4.63	5.13
%Net Income to Equity	10.85	12.99
Working Capital	$3,994,847,000	$3,750,009,000
Current Ratio	1.64	1.63
Shareholders' Equity	$7,467,177,000	$7,091,607,000

Seaway Food Town, Inc.

1020 Ford Street
Maumee, Ohio 43537
(419) 893-9401

Officers: Wallace D. Iott, president; Frank D. Instone, exec. v.p., asst. secretary & asst. treasurer; Waldo E. Yeager, v.p.-wholesaling; David J. Walrod, v.p.-supermarkets; David A. Katz, secretary; James H. Plummer, treasurer.

Directors: Wallace D. Iott, chairman; Paul Pope, Franklin A. Ulrich, Richard G. Heydt, J. H. Nathanson, Thomas M. O'Donnell, Leslie H. Gruber, Robert J. Kirk, Edwin Z. Singer.

Business Activities: Operates a chain of food stores located in northwest Ohio and southeast Michigan under the name Food Town Supermarkets and a wholesale food business under the Valley Farm Foods name, servicing institutional customers and other food retailers in Michigan, Ohio and Indiana.

Subsidiaries:

Northern Distributing Co.
V.F., Inc.
Gruber's Food Town, Inc.
Fjord Properties, Inc.
Second Fjord Properties, Inc.
Third Fjord Proprties, Inc.
Third Fjord Proprties Community
Urban Redevelopment Corporation

All at:
1020 Ford Road
Maumee, Ohio 43537
(419) 893-9401

Valley Farms-Wholesale
800 Ford Street
Maumee, Ohio 43537

Valley Farm Foods - Food Service
4223 South Avenue
Toledo, Ohio 43609

Balduf Bakery
915 Kingsbury Street
Maumee, Ohio 43537

Buckeye Specialties
1102 Summit Street
Toledo, Ohio 43601

Transfer Agent(s):

First National Bank of Toledo
Toledo, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SEWY (NASDAQ)

Number of Stores: (at fiscal year end)

1979	53	1976	47
1978	51	1975	45
1977	49		

Sales and Earnings

	Net Sales	Net Income
1979	$325,856,820	$ 4,756,865
1978*	285,214,868	3,325,437
1977	242,833,158	2,141,255
1976	226,747,873	2,649,096
1975	210,650,021	3,118,870

	No. of Com. Shares #	Earn. per Share #
1979	1,640,274	$2.90
1978*	1,626,150	2.05
1977	1,673,468	1.28
1976	1,661,261	1.59
1975	1,667,514	1.82

* 53 weeks.
# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.56	–	–
1978	0.49	–	3-for-2
1977	0.47	–	–
1976	0.33	–	–
1975	0.21	–	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 25,891,000	$15.71
1978	22,021,000	13.48
1977	19,883,000	11.96
1976	18,511,000	11.16
1975	16,328,000	9.98

Based on average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended	9/29/79	9/30/78 (53 weeks)
Net sales	$325,856,820	$285,214,868
Cost of sales	264,861,109	233,716,546
Expenses	50,831,464	43,818,162
Other income	(731,588)	(272,916)
Interestexpense	2,325,970	1,604,639
Income before taxes	$ 8,569,865	$ 6,348,437
Income taxes	3,813,000	3,023,000
Net Income	$ 4,756,865	$ 3,325,437

* Included in Costs and Expenses, Depreciation and Amortization: $4,163,888 in 1979 and $3,333,552 in 1978.

Assets

As of	9/28/79	9/30/78
Cash	$ 5,719,264	$ 6,437,834
Marketable secur.	4,900,000	4,489,625
Accts. & notes receiv., net	4,581,978	4,463,405
*Inventories	22,864,563	18,526,507
Prepaid expenses	1,272,488	1,180,015
Current Assets	$ 39,338,293	$ 35,097,386
Investments	2,960,453	1,023,036
#Fixed assets	37,643,207	29,957,631
Total Assets	$ 79,941,953	$ 66,078,053

Liabilities

Long-term debt. curr.	$ 646,000	$ 911,900
Accts. payable	18,322,854	17,872,527
Accruals	3,600,234	2,565,249
Income taxes	1,539,437	1,879,543
Curr. Liabilities	$ 24,308,525	$ 23,229,219
Long-term debt	28,334,867	19,824,765
Deferred inc. taxes	1,408,020	1,005,020
+Common stock	3,296,726	3,267,838
Add. paid-in capital	1,500,637	1,472,794
Retained earnings	21,093,178	17,280,417
Total Liabilities & Shareholders' Equity	$ 79,941,953	$ 66,078,053

* Meat and produce inventories at lower of cost (FIFO) or market; other inventories at lower of cost (LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.63	2.23
%Net Income to Sales	1.46	1.17
%Net Income to Equity	18.37	15.10
Sales to Inventories	14.25	15.39
Working Capital	$ 15,029,768	$ 11,868,167
Current Ratio	1.62	1.51
Shareholders' Equity	$ 25,890,541	$ 22,021,049

Seligman & Latz, Inc.

666 Fifth Avenue
New York, New York 10019
(212) 397-6700

Officers: John S. Kubie, chairman of the board & chief exec. officer; Malcolm A. Seligman, president; Irving M. Hird, sr. exec. v.p. & treasurer; Arthur E. Fabricant, exec. v.p. & pres. and managing director- International; Stephen L. Singer, exec. v.p. & pres.-Finlay Fine Jewelry; Martin G. Blanc, sr. v.p. & controller; Richard L. Muney, Richard Salzer, Jules D. Walder, John J. Whalen, David W. Smith, sr. v.p.'s; Albert N. Connett, Alan D. Jaffee, v.p.'s; Hugh N. Jones, Donovan H. Larsen, Donald A. Kubie, Jr., Kenneth Beer, John Breibart, Robert A. Levy, Kermit Marcus, Peter J. Kaplan, secretary & general counsel; Robert Casaletto, asst. treasurer; Jeffrey Glassman, asst. controller.

Directors: John S. Kubie, Malcolm A. Seligman, Irving M. Hird, Sidney Singer, Arthur E. Fabricant, Stephen L. Singer, Stephen R. Frank, Walter Mendelsohn, Irwin W. Smith, Alan M. Sternlieb, Claudine B. Malone, Jane Trahey, Barbara Latz Unger, David W. Smith.

Business Activities: Operates leased fine jewelry departments; distributes and retails beauty and skin care products and services; operates beauty salons in department stores in the United States and throughout the world.

Division(s):

Beauty Division
East Coast:
666 Fith Avenue
New York, New York 10019
(212) 397-6700

West Coast:
555 California Street
(Suite 4880)
San Francisco, California 94104
(415) 986-8585

Operates beauty salons in department stores plus Adrien Arpel skin care clinics and boutiques in the U.S. and 11 foreign countries.

Finlay Fine Jewelry Division
521 Fith Avenue
New York, New York 10017
(212) 551-8300

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SAL

Number of Leased Jewelry Depts: (at fiscal year end)

1979	341	1976	218
1978	300	1975	200
1977	213		

Sales and Earnings

	Revenues	Net Income
1979	$242,780,000	$ 1,348,000
1978	208,154,000	4,335,000
1977	178,418,000	4,680,000
1976	157,203,000	4,953,000
1975	139,417,000	4,932,000

	No. of Com. Shares ≠	Earn. per Share ≠
1979	2,155,000	$0.62
1978	2,138,000	2.02
1977	2,136,000	2.18
1976	2,084,000	2.37
1975	1,952,000	2.51

≠ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$1.20	—	—
1978	1.14	5%	—
1977	1.09	5%	—
1976	1.01	5%	—
1975	0.67	5% & 5%	—

† Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 34,790,000	$16.14
1978	35,630,000‡	17.09
1977	33,591,000‡	16.29
1976	30,911,000‡	15.36
1975	27,015,000‡	15.08

‡ After allowing for preferred shares at redemption value of $100 per share.
† Adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended Oct. 31	1979	1978
Revenues	$ 242,780	$ 208,154
Cost of sales & services	200,423	169,446
Expenses	38,210	30,294
Other charges	2,549	979
Income before taxes	$ 1,598	$ 7,435
Income taxes	250	3,100
Net Income	$ 1,348	$ 4,335

* Included in Costs and Expenses, Depreciation and Amortization: $4,091,000 in 1979 and $3,184,000 in 1978.

Assets
(000's)

As of Oct. 31	1979	1978
Cash	$ 2,720	$ 2,186
Receiv., net	12,935	11,087
Refundable taxes	1,875	—
*Inventories	33,587	27,076
Prepaid expenses & Other assets	3,370	3,466
Current Assets	$ 54,487	$ 43,815
≠Fixed assets	28,117	24,805
Defer. charges & other assets	512	313
Intangibles	4,813	4,815
Total Assets	$ 87,929	$ 73,748

Liabilities
(000's)

Short-term notes payable	$ 15,000	$ 9,000
Long-term debt. curr.	355	386
Accts. payable & accruals	24,144	15,846
Income taxes	426	107
Curr. Liabilities	$ 39,925	$ 25,339
Long-term debt	10,598	10,281
Deferred inc. taxes	1,559	903
Accrued pensions & reserve for benefits	1,057	1,095
+Preferred stock		500
+ +Common stock	2,201	2,135
Add. paid-in capital	11,693	11,392
Retained earnings	21,210	22,437
Treasury stock	(314)	(334)
Total Liabilities & Shareholders' Equity	$ 87,929	$ 73,748

* At lower of cost (LIFO or FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $100 par value, 4% cumulative
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Revenues	0.66	3.57
%Net Income to Revenues	0.56	2.08
%Net Income to Equity	3.87	12.00
Working Capital	$ 14,562,000	$ 18,476,000
Current Ratio	1.36	1.73
Shareholders' Equity	$ 34,790,000	$ 36,130,000

Service Merchandise Company, Inc.

2968 Foster Creighton Drive
P.O. Box 40787
Nashville, Tennessee 37204
(615) 251-6666

Officers: Harry Zimmerman, chairman of the board; Raymond Zimmerman, president; Howard L. Levy, executive v.p.; J. Benson Saks, sr. v.p.-finance & treasurer; Everett V. Purdy, sr. v.p.-merchandising; Joseph J. Freedman, v.p.-jewelry; Richard L. Schenk, v.p.-finance & administration; Robert Mitchell, v.p.-personnel; John C. Gray, Jr., v.p.-showrooms; Mary K. Zimmerman, secretary.

Directors: Harry Zimmerman, Raymond Zimmerman, Mary K. Zimmerman, R. Maynard Holt, Charles V. Moore, Richard P. Crane, Jr.

Business Activities: Catalog merchandising company operating merchandise showrooms in 23 states. Engaged in the sale of a broad line of jewelry, diamonds and nationally advertised brand-name hardgoods merchandise such as housewares, small appliances, giftwares, silverware, cameras, luggage, radios, televisions, and other home electronic equipment and accessories, toys, sporting goods, and home and garden equipment.

Transfer Agent(s):

Third National Bank
Nashville, Tennessee

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SMCH (NASDAQ)

Service Merchandise Company, Inc.

Number of Showrooms: (at fiscal year end)

1980	101	1977	43
1979	84	1976	35
1978	51		

Sales and Earnings

	Net Sales	Net Income
12/31/79	$729,759,000	$ 19,463,000
1/1/78	528,014,000	22,228,000
1/1/78	353,305,000	16,276,000
1/1/77	262,260,000	11,415,000
1/3/76	180,403,555	5,841,000

	No. of Com. Shares +	Earn. per Share +
12/31/79	12,662,000	$1.54
1/1/79	12,491,000	1.78
1/1/78	12,281,000	1.33
1/1/77	11,895,000	0.96
1/3/76	10,449,000	0.56

+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
12/31/79	$0.13	—	—
1/1/79	0.092	—	3-for-2‡
1/1/78	0.05	—	2-for-1 +
1/1/77	—	—	—
1/3/76	—	—	3-for-2‡

† Adjusted to reflect stock split.
+ In the form of a 100% stock dividend.
‡ In the form of a 50% stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
12/31/79	$102,283,000	$8.08
1/1/79	84,466,000	6.76
1/1/78	57,965,000	4.72
1/1/77	42,281,000	3.55
1/3/76	19,372,000	1.85

+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account

Year ended	12/31/79	12/1/78
Net sales	$729,759,000	$528,014,000
Cost of sales	561,267,000	397,752,000
Expenses	111,966,000	75,201,000
Depreciation & amortization	8,627,000	5,354,000
Other income	(1,665,000)	(1,739,000)
Interest expense	14,730,000	8,669,000
Income before taxes	$ 34,834,000	$ 42,777,000
Income taxes	15,371,000	20,549,000
Net Income	$ 19,463,000	$ 22,228,000

Assets

As of	12/31/79	1/1/79
Cash	$ 25,515,000	$ 15,470,000
Short-term invest.	—	10,000,000
Acct. receiv., net	2,249,000	3,164,000
* Inventories	181,257,000	145,176,000
Prepaid expenses	5,041,000	3,200,000
Current Assets	$214,062,000	$177,010,000
# Fixed assets	119,699,000	82,244,000
Prepaid taxes on income	3,264,000	1,888,000
Other assets & defer. charges	2,296,000	1,658,000
Total Assets	$339,321,000	$262,800,000

Liabilities

Long-term debt, curr.	$ 2,252,000	$ 3,150,000
Cap. leases, curr.	4,709,000	4,140,000
Acct. payable	83,836,000	38,462,000
Accruals	30,942,000	20,072,000
Income taxes	9,086,000	13,773,000
Curr. Liabilities	$130,825,000	$ 79,597,000
Long-term debt	32,048,000	42,800,000
Cap. lease oblig.	72,816,000	55,937,000
Deferred inc. taxes	1,349,000	—
+Common stock	12,662,000	12,662,000
Add. paid-in capital	13,349,000	13,349,000
Retained earnings	76,272,000	58,455,000
Total Liabilities & Shareholders' Equity	$339,321,000	$262,800,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.77	8.10
%Net Income to Sales	2.67	4.21
%Net Income to Equity	19.03	26.32
Sales to Inventories	4.03	3.64
Working Capital	$ 83,237,000	$ 97,413,000
Current Ratio	1.64	2.22
Shareholders' Equity	$102,283,000	$ 84,466,000

The Sherwin-Williams Company

101 Prospect Avenue, N.W.
Cleveland, Ohio 44115
(216) 566-2000

Officers: J.G. Breen, chairman, president & chief executive officer; T.A. Commes, sr. v.p.-finance; F.T. Krotine, sr. v.p.-corp. research & development; W.D. Gillund, v.p.-coatings group; G.L. Tickner, v.p.-specialty group; C.A. Bellini, pres., & gen. mgr., stores division; T.N. Bird, pres. & gen. mgr., specialty products division; J.M. DeVittorio, pres., & gen. mgr., chemical coatings division; E.D. Hopkins, pres. & gen. mgr., consumer division; J.A. Mack, pres. & gen. mgr., Chemicals division; J.P. Maladra, pres., & gen. mgr.,-container division; L.A. Ward, pres. & gen. mgr., automotive aftermarket division; A.D. Childs, v.p. & legal counsel & corp. secretary; J.E. Wallace, v.p. & controller; T.R. Miklich, treasurer.

Directors: J.A. Attwood, K.S. Benson, J.G. Breen, R.D. Buzzell, D.W. Calloway, T.A. Commes, W.S. DeLancey, R.C. Doban, A.C. Holmes, J.R. Killpack, W.G. Mitchell, P.S. Parker.

Business Activities: Manufacturer and marketer of paint for homes, institutions and businesses, coatings for manufactured products and automotive refinishing, cans for paint, aerosols and other products. Also manufactures brushes, rollers, and other paint applicators.

Subsidiaries:

Sherwin-Williams International Company (DISC)

Sherwin-Williams do Brasil Industria e
Comercio Ltda.
Sao Paulo, Brazil

The Sherwin-Williams Co. of Canada Limited
Montreal, Quebec, Canada

Rubberset Company (Canada) Limited
Gravenhurst, Ontario, Canada

Sherwin-Williams (Caribbean) N.V.
Curacao

Sherwin-Williams (West Indies) Limited
Kingston, Jamaica

Compania Sherwin-Williams, S.A. de C.V.
Mexico City, D.F., Mexico

Joint Ventures:

FSW Coatings, Limited
Dublin, Ireland

Nippon Sherwin-Williams Chemicals CO., Ltd.
Osaka, Japan

Sherwin-Williams de Panama, S.A.
Panama City, Panama

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: SHW

Number of Stores:

1979	1400	1977	1500
1978	1400		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
12/31/79	$ 1,196,323	$ 18,028
12/31/78	1,132,350	5,192
12/31/77	1,035,989	(8,207)
12/31/76†	969,205	12,681
8/31/76	951,984	18,435

	No. of Com. Shares ‡‡	Earn. per Share ×
12/31/79	5,290,875	$3.21
12/31/78	5,398,445	0.76
12/31/77	5,396,746	—
12/31/76†	5,392,985	2.12
8/31/76	5,391,347	3.22

(Loss)
† Includes eight months of fiscal year ended 8/31/76.
‡‡ Based on average number shares of common stock outstanding.
× Based on average number of shares outstanding after adjusting net income for dividend requirements of preferred stock.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/31/79	$0.15	—	—
12/31/78	—	—	—
12/31/77	2.20	—	—
12/31/76	2.20	—	—
8/31/76	2.20	—	—

Common Stock Equity

	Total Equity †	Equity Per Share #
12/31/79	$251,052,000	$51.56
12/31/78	249,983,000	46.31
12/31/77	245,580,000	45.51

† After allowing for preferred stock at aggregate involuntary liquidation.
# Based on average number of shares of common stock outstanding.

Income Account *
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 1,196,343	$ 1,132,350
Costs of sales	829,183	795,237
Expenses	322,215	311,175
Interest expense	19,366	21,318
Interest income	(8,131)	(1,713)
Other income	(717)	(3,595)

Income bef. taxes	$ 34,427	$ 9,928
Income taxes	16,399	4,736
Net Income	$ 18,028	$ 5,192

* Included in Costs and Expenses, Depreciation and Amortization: $19,458,000 in 1979 and $ 18,438,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 7,563	$ 32,682
Short-term invest.	101,839	40
Accts. receiv., net	125,669	135,047
* Inventories	242,264	243,508
Other	8,652	14,040
Current Assets	$ 485,987	$ 425,317
# Fixed assets	203,851	209,580
Other assets	14,542	14,272
Total Assets	$ 704,380	$ 649,169

Liabilities
(000's)

Short-term debt, curr.	$ 4,649	$ 10,720
Accts. payable	78,885	36,854
Accruals	43,344	34,435
Compensation & withholding	20,746	16,921
Income taxes	13,685	7,735
Curr. Liabilities	$ 161,309	$ 106,665
Long-term debt	234,285	242,362
Other long-term liability	5,326	3,607
Minority interest	2,830	3,516
Deferred inc. taxes	24,873	18,111
+ Preferred stock	8,854	8,854
+ + Common stock	33,884	33,881
Add. paid-in capital	5,171	5,240
Retained earnings	243,884	227,623
Treasury stock	(16,036)	(690)
Total Liabilities & Shareholders' Equity	$ 704,380	$ 649,169

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $6.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.88	0.88
%Net Income to Sales	1.51	0.46
%Net Income to Equity	6.54	1.89
Sales to Inventories	4.94	4.65
Working Capital	$324,678,000	$318,652,000
Current Ratio	3.01	3.99
Shareholders' Equity	$275,757,000	$274,908,000

Shop & Go, Inc.

P.O. Box 428
Mango, Florida 33550
(813) 689-8161

Officers: Robert A. Jaeb, chairman of the board & president; Lorena Jaeb, exec. v.p. & treasurer; Rex Roberts, v.p.-real estate; H. Daniel Gardner, v.p.-finance & chief finacial officer; Jerry B. Wilson, v.p.-administration & secretary; Robert Garrett, v.p.-real estate; Larry Bowling, v.p. & asst. dir., operations.

Directors: Robert A. Jaeb, Lorena Jaeb, H. Daniel Gardner, Sherwin P. Simmons, Harry H. Root, Jr.

Business Activites: Operates self-service, convenience food stores throughout central Florida, northeast Alabama and southern Georgia under the name "Shop & Go." Gasoline is offered for sale on a self-service basis through a distributorship arrangement at 225 of the Company's store locations.

Transfer Agent(s):

Exchange National Bank
P.O. Box 1469
Tampa, Florida 33601

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHGO (NASDAQ)

Number of Stores: (at fiscal year end)

1980	381	1977	354
1979	379	1976	298
1978	371		

Sales and Earnings

	Net Sales	Net Income
1980	$108,651,170	$ 4,476,000
1979	93,519,550	3,087,000
1978	8[illegible],854,171	2,235,000
1977	69,[illegible]76,425	1,612,000
1976	60,193,330	1,609,000

	No. of Com. Shares #	Earn. per Share #
1980	2,978,718	$1.50
1979	3,075,786	1.00
1978	3,251,837	0.69
1977	3,251,837	0.50
1976	3,251,837	0.49

Based on weighted average number of shares outstanding adjusted to reflect stock splits and stock dividends.

Revenues By Line of Business

	1980	1979	1978	1977
Convenience store items	98%	99%	99%	99%
Gasoline rental commissions	2	1	1	1
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.22	—	5-for-4& 3-for-2
1979	0.17	5%	—
1978	0.16	5%	—
1977	0.08	—	5-for-4
1976	0.07	5%	—

‡ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 17,630,383	$5.92
1979	13,802,738	4.49
1978	12,439,998	3.83
1977	10,716,118	3.30

Based on weighted average number of shares outstanding adjusted to reflect stock splits and stock dividends.

Income Account

Year ended March 31	1980	1979
Net sales	$108,651,170	$ 93,519,550
Other income	2,797,366	1,050,353
Total Income	$111,448,536	$ 94,569,903
Cost of sales	72,375,773	62,330,487
Expenses	27,835,940	23,675,644
Depreciation & amortization	1,938,194	1,751,722
Interest expense	763,278	846,411
Income before taxes	$ 8,535,351	$ 5,965,639
Income taxes	4,059,241	2,878,354
Net Income	$ 4,476,110	$ 3,087,285

Assets

As of March 31	1980	1979
Cash	$ 4,522,238	$ 1,553,697
Receiv., net	285,607	272,685
*Inventories	5,233,655	5,918,944
Prepaid expenses	224,143	194,581
Current Assets	$ 10,265,643	$ 7,939,907
Prop. under cap leases	2,347,665	2,682,975
#Fixed assets	15,673,688	14,367,218
Other assets	2,774,836	2,828,915
Total Assets	$ 31,061,832	$ 27,819,015

Liabilities

Long-term debt, curr.	$ 1,417,868	$ 802,543
Accts. payable	5,029,570	4,561,511
Cap. lease oblig. curr.	272,278	253,938
Accrued payroll	570,830	422,903
Income taxes	1,173,280	927,307
Other taxes	561,788	446,431
Other liabilities	267,568	362,161
Curr. Liabilities	$ 9,293,182	$ 7,776,794
Long-term debt	1,191,038	2,997,899
Cap. lease oblig.	2,598,096	2,900,951
Deferred inc. taxes	349,133	340,633
+Common stock	31,268	17,370
Add. paid-in capital	4,946,241	4,965,124
Retained earnings	13,948,740	10,116,110
Treasury stock	(1,295,866)	(1,295,866)
Total Liabilities & Shareholders' Equity	$ 31,061,832	$ 27,819,015

* At estimated cost (LIFO).
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.86	6.38
%Net Income to Sales	4.12	3.30
%Net Income to Equity	25.39	22.37
Sales to Inventories	20.76	15.80
Working Capital	$ 972,461	$ 163,113
Current Ratio	1.10	1.02
Shareholders' Equity	$ 17,630,383	$ 13,802,738

Shopwell, Inc.

400 Walnut Avenue
Bronx, New York 10454
(212) 665-6200

Officers: Herbert B. Daitch, chairman of the board, chief financial officer and treasurer; Martin Rosengarten, president and chief executive officer; Seymour D. Simpson, executive vice president & chief administrative officer; James Flanagan, Ira Goldenberg, Glen Rosengarten, Abraham Laxer, G. Michael Parisi, Alfred Daitch, Alan H. Olstein, Thomas Cignarella, vice presidents; Jay Rosengarten, v.p.-personnel & asst. secretary; Howard Weinreich, secretary; Stuart Spivak, controller.

Directors: Herbert B. Daitch*, Sydney S. Baron*, Walter Feldesman, Arthur L. Meyer, Martin Rosengarten*, Fred Siegel*, Seymour D. Simpson*, Milton Farber*, John L. Procope*, Judianne Densen-Gerber, Ted Petrillo.

* Member of Executive Committee.

Business Activities: Operates a chain of conventional department supermarkets. Stores operate under the name of Daitch-Shopwell Supermarkets, Shopwell Supermarkets, and Daitch Dairy Stores and are located in the metropolitan New York area, Westchester, Orange, Sullivan, Putnam and Nassau Counties in New York State and Connecticut. Also markets a line of 750 private label products. In addition, the Company operates a chain of Shop-Quik convenience stores, a shopping center and Shopwell Package Stores.

Shopwell, Inc.

Division(s):

Daitch-Shopwell Supermarkets
Shopwell Supermarkets
Daitch Dairy Stores
Shop Quik Convenience Stores
Shopwell Plaza
Shopwell Package Store
Delaware County Dairies

All at:
400 Walnut Avenue
Bronx, New York 10454
(212) 665-6200

Transfer Agent:

American Transfer Company

Stock Exchange(s): American

Ticker Symbol: SH

Number of Stores: (at fiscal year end)

1979	69	1976	82
1978	75	1975	85
1977	74		

Sales and Earnings

	Net Sales	Net Income
1979	$346,486,186	$ 1,059,656
1978	271,568,084	745,021
1977	277,656,797	519,890
1976	260,596,899	258,628 #
1975*	258,176,657	(253,250) #

	No. of Com. Shares	Earn. per Share ‡
1979	1,373,098	$0.66
1978	1,630,698	0.46
1977	1,630,698	0.32
1976	1,630,698	0.15 #
1975*	1,808,183	—

(Loss)
* 53 weeks.
# Including extraordinary credit of $90,000 ($0.05 per share) in 1976 and $240,000 ($0.13 per share) in 1975.
‡ Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 17,740,725	$12.92
1978	18,251,669	11.19
1977	17,506,648	10.74
1976	16,986,758	10.42
1975	17,542,175	9.70

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$346,486,186	$271,568,084
Cost of sales	293,212,635	225,086,581
Expenses	49,475,994	43,712,287
Other income	571,351	317,965
Interest expense	2,401,252	1,581,160
Income before taxes	$ 1,967,656	$ 1,506,021
Income taxes	908,000	761,000
Net Income	$ 1,059,656	$ 745,021

* Included in Costs and Expenses, Depreciation and Amortization: $4,404,305 in 1979 and $3,856,000 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 2,625,933	$ 2,206,162
Comm. paper	500,000	2,300,000
Accts. receiv., net	5,867,363	4,986,375
*Inventories	21,114,054	18,522,694
Prepaid expenses	1,195,484	1,151,842
Current Assets	$ 31,302,834	$ 29,167,073
#Fixed assets	33,824,256	29,106,244
Other assets	1,426,436	1,458,602
Total Assets	$ 66,553,526	$ 59,731,919

Liabilities

Long-term debt, curr	$ 3,450,634	$ 3,788,771
Accts. payable	16,025,635	14,422,731
Accruals	1,670,173	1,433,669
Curr. Liabilities	$ 21,146,442	$ 19,645,171
Long-term debt	24,788,714	19,542,579
Deferred inc. taxes	2,877,645	2,292,500
+Common stock	831,229	960,029
Add. paid-in capital	5,468,986	6,316,490
Retained earnings	13,120,324	12,654,964
Treasury stock	(1,679,814)	(1,679,814)
Total Liabilities & Shareholders' Equity	$ 66,553,526	$ 59,731,919

* Warehouse inventories at lower of cost (weighted average method) or market; store inventories at lower of cost or market, determined by retail method.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.57	0.55
%Net Income to Sales	0.31	0.27
%Net Income to Equity	5.97	4.08
Sales to Inventories	16.41	14.66
Working Capital	$ 10,156,392	$ 9,521,902
Current Ratio	1.48	1.48
Shareholders' Equity	$ 17,740,725	$ 18,251,669

Silo, Inc.

6900 Lindbergh Boulevard
Philadelphia, Pennsylvania 19142
(215) 724-3100

Officers: Bernard R. Kant, chairman of the board & chief executive officer; Barry H. Feinberg, president & chief operating officer; Alvin Sotoloff, exec. vice president -merchandising; Robert P. Small, executive v.p.-Western operations; Gerald N. Strassler, vice president and treasurer; Jay Winslow, Robert Dinnerman, vice presidents; Robert P. Gozdan, secretary.

Directors: Charles S. Goodman, Julius Klein, Leon Meltzer, Alvin Sotoloff, Gerald N. Strassler, Robert P. Small, Jay R. Winslow, Murray G. Isard, Barry H. Feinberg, Lorraine Cooper, Robert Dinnerman, Bernard R. Kant, Maurice H. Rosen.

Business Activities: Engaged in the retail sale of major home appliances, televisions, air conditioners, small electrical appliances, household equipment, home entertainment equipment, and seasonal items. The Company has stores located in Pennsylvania, New Jersey, Delaware, California, Colorado and Arizona.

Transfer Agent(s):

Manufacturers Hanover Bank
New York, New York

Continental Bank
Pottstown, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: SIL

Number of Stores: (at fiscal year end)

1979	46	1976	41
1978	44	1975	44
1977	40		

Sales and Earnings

	Net Sales	Net Income†
1979	$127,340,000	$ 5,337,000
1978	97,481,000	4,159,000
1977	79,690,000	2,824,000
1976	66,234,000	1,101,000
1975	54,204,476	(201,000)

	No. of Com. Shares	Earn. per Share # †
1979	1,441,377	$3.72
1978	1,431,506	2.96
1977	1,116,786	2.03
1976	1,111,786	0.79
1975	1,110,143	—

(Loss)
† Restated to reflect capitalization of leases.
# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	—	5-for-4
1977	—	—	—
1976	—	—	—
1975	—	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 19,450,000	$13.49
1978	14,591,000	10.19
1977	10,634,000	9.52

‡ Restated to reflect capitalization of leases.

Income Account*
(000's)

Year ended July 31	1979	1978‡
Net sales	$ 127,340	$ 97,481
Cost of sales	94,255	72,580
Expenses	22,990	16,790
Other income	(231)	(406)
Interest expenses (income)	(51)	254
Income before taxes	$ 10,377	$ 8,263
Income taxes	5,040	4,104
Net Income	$ 5,337	$ 4,159

* Included in Costs and Expenses, Depreciation: $641,000 in 1979 and $529,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of July 31	1979	1978‡
Cash	$ 9,598	$ 5,799
Accts. receiv., net	2,737	2,036
*Inventories	18,893	17,133
Prepaid expenses	469	405
Current Assets	$ 31,697	$ 25,373
#Fixed assets	7,597	5,463
Other assets	24	27
Defer. charges	1,766	1,218
Total Assets	$ 41,084	$ 32,081

Liabilities
(000's)

Long-term debt, curr	$ 404	$ 399
Cap. lease oblig., curr	289	169
Accts. payable & accruals	5,266	3,980

Customers' Deposits	1.080	932
Defer. revenue	2.583	2.057
Income taxes	1.184	1.515
Curr. Liabilites	$ 10.806	$ 9.052
Long-term debt	4.219	4.623
Deferred income	3.493	2.297
Cap. lease oblig.	3.116	1.518
+Common stock	1.441	1.432
Add. paid-in capital	1.273	1.256
Retained earnings	16.736	11.903
Total Liabilities & Shareholders' Equity	$ 41.084	$ 32.081

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.15	- 8.48
%Net Income to Sales	4.19	4.27
%Net Income to Equity	27.44	28.50
Sales to Inventories	6.74	5.69
Working Capital	$ 20.891.000	$ 16.321.000
Current Ratio	2.93	2.80
Shareholders' Equity	$ 19.450.000	$ 14.591.000

Simco Stores, Inc.

385 Gerard Avenue
Bronx, New York 10451
(212) 292-7777

Officers: Joseph C. Warner, president; Sanford Miller, executive vice president, treasurer & secretary; Dominic S. Barilla, Martin I. Schwartz, vice presidents.

Directors: Joseph C. Warner, Walter W. Oberstebrink, Reuben May, Sanford Miller, Alan L. Wechsler.

Business Activities: A chain of shoe stores located primarily in the Metropolitan New York City area specializing in popular-priced footwear, handbags, hosiery, and related items for women and teen-aged girls. Stores are also located in five states and the District of Columbia.

Transfer Agent(s):

Bradford Trust Company
2 Broadway
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: SSM

Number of Stores: (at fiscal year end)

1979	27	1976	30
1978	26	1975	29
1977	29		

Sales and Earnings

	Net Sales	Net Income
1979	$ 9.669.362	$ 680.786
1978‡	9.961.845	691.266
1977	8.307.332	274.945
1976	8.370.132	373.849 +
1975	8.072.404	342.600

	No. of Com. Shares #	Earn. per Share #
1979	1.217.535	$0.56
1978‡	1.219.653	0.57
1977	1.235.035	0.22
1976	1.244.783	0.30 +
1975	1.255.232	0.27

‡ Restated to reflect capitalization of leases.
# Based on average number of shares outstanding adjusted to reflect stock dividends.
+ Includes extraordinary gain of $63.500 ($0.05 per share).

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.25	3%	–
1978	0.29	3%	–
1977	0.24	3%	–
1976	0.20	3%	–
1975	0.20	3%	–

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 6.090.633	$5.00
1978 +	5.762.668	4.72
1977	5.651.118	4.58
1976	5.574.214	4.48
1975	5.623.411	4.48

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.
+ Restated to reflect capitalization of leases.

Income Account

Year ended	7/28/79	7/29/78 ‡
Net sales	$ 9.669.362	$ 9.961.845
Cost of sales	4.705.096	4.839.799
Expenses	3.409.569	3.325.185
Depreciation & amortization	118.884	123.215
Rent & occupancy exp.	529.622	599.986
Other income	(348.395)	(241.006)
Income before taxes	$ 1.254.586	$ 1.314.666
Income taxes	573.800	623.400
Net Income	$ 680.786	$ 691.266

‡ Restated to reflect capitalization of leases.

Assets

As of	7/28/79	7/29/78 ‡
Cash	$ 2.664.171	$ 1.397.817
Short-term invest.	204.109	2.070.464
*Inventories	2.120.301	1.760.212
Prepaid exp. & other assets	266.958	135.449
Current Assets	$ 5.255.539	$ 5.363.942
Investments	702.159	729.015
#Fixed assets	1.051.304	975.707
Other assets	136.460	214.648
Total Assets	$ 7.145.462	$ 7.283.312

Liabilities

Cap. lease oblig., curr.	$ 44.658	$ 52.483
Accts. payable	143.314	90.998
Accruals	323.830	275.174
Dividends payable	152.195	206.933
Taxes payable	70.167	510.533
Curr. Liabilities	$ 734.164	$ 1.136.121
Security deposits	25.400	44.600
Cap. lease oblig.	295.265	339.923
+Common stock	645.060	627.525
Add. paid-in capital	1.584.537	1.448.644
Net unreal. loss	(156.945)	(105.900)
Retained earnings	4.293.973	4.068.391
Treasury stock	(275.992)	(275.992)
Total Liabilities & Shareholders' Equity	$ 7.145.462	$ 7.283.312

‡ Restated to reflect capitalization of leases.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.97	13.20
%Net Income to Sales	7.04	6.94
%Net Income to Equity	11.18	12.00
Sales to Inventories	4.56	5.66
Working Capital	$ 4.521.375	$ 4.227.821
Current Ratio	7.16	4.72
Shareholders' Equity	$ 6.090.633	$ 5.762.668

Simpsons-Sears Limited

(35% interest owned by Hudson's Bay Company)
(41% nterest owned by Sears, Roebuck and Co.)

222 Jarvis Street
Toronto, Ontario, Canada M5B 2B8
(416) 861-9111

Officers: C. Richard Sharpe, chairman of the board & chief exec. officer; John D. Taylor, president & chief operating officer; C. Lester Bishop, v.p.-finance; Alex Campbell, v.p.-operating; David S. Chapman, v.p.-merchandise distribution; J.J. Michael Eagen, v.p. & secretary & corp. counsel; Frank R. Hammond, v.p.-retail; Robert J. Knox, v.p.-public affairs; Kenneth A. McCartney, v.p.-merchandising; Morgan Reid, v.p.-planning & development; Leslie Visosky, v.p.-personnel; James E. Copland, corp. controller; Larry E. Ginther, treasurer.

Directors: J.C. Barrow, M.F. Belanger, R.J. Collins-Wright, H. Corrigan, W.A. Dimma, J.F. Gallagher, M.E. Jones, J.F. Kincannon, A.H. Mingay, A. Powis, C.R. Sharpe, J.D. Taylor, E.R. Telling, J.M. Tory, W.P. Wilder, C. Baker, James W. Button, A.M. Wood.

Business Activities: Operates retail, department stores, catalogue order business in Canada.

Transfer Agent(s):

The Royal Trust Company
Toronto, Ontario
Montreal, Quebec
Calgary, Alberta

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: SSRT, SSRM

Number of Stores: (at fiscal year end)

1979	65	1976	59
1978	63	1975	56
1977	62		

Sales and Earnings

	Net Sales	Net Income
1980	$2.618.213.000	$ 67.932.000
1979†	2.541.669.000	57.668.000 +
1978	2.093.378.000	44.926.000
1977	1.890.827.000	33.174.000
1976	1.548.600.000	32.118.000

	No. of Com. Shares ‡	Earn. per Share #
1980	87.109.683	$0.85
1979	76.312.776	0.77 +
1978	75.323.249	0.60
1977	75.208.554	0.44
1976	74.951.002	0.47

† 56 weeks.
+ Restated to reflect capitalization of leases.
# Based on the weighted average number of shares of Class A, Class B and Class C stock combined.
‡ Class A, Class B and Class C stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.36	–	–
1979	0.27	–	–
1978	0.24	–	–
1977	0.24	–	–
1976	0.24	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$549,896,000	$6.31
1979	435,802,000	5.71
1978	390,461,000	5.18
1977	362,597,000	4.82
1976	345,066,000	4.60

Income Account
(000's)

Year ended	1/30/80	1/31/79 (56 weeks)
Net sales	$ 2,618,213	$ 2,541,669
Other income	4,599	4,882
Total income	$ 2,622,812	$ 2,546,551
Cost of sales & expenses	2,386,112	2,326,718
Depreciation	32,500	32,280
Interest expense	74,034	71,950
Misc. taxes	25,045	25,793
Income before taxes	$ 105,121	$ 89,810
Income taxes	45,369	37,449
Minority interest	(8,180)	(5,307)
Net Income	$ 67,932	$ 57,668

Assets
(000's)

As of	1/30/80	1/31/79 ‡
Cash	$ 4,490	$ 4,120
Accts. receiv., net	639,273	555,842
*Inventories	472,144	433,621
Prepaid expenses	54,299	47,706
Current Assets	$ 1,170,206	$ 1,041,289
Investments & other assets	49,562	36,706
# Fixed assets	353,234	347,156
Unamort. exp.	4,883	6,481
Total Assets	$ 1,577,885	$ 1,431,632

Liabilities
(000's)

Notes payable	$ 180,499	$ 176,043
Long-term debt, ucrr.	29,951	24,857
Accts. payable	125,590	112,667
Accruals	79,918	75,833
Dividends payable	7,840	6,868
Income & other taxes	78,624	42,280
Curr. Liabilities	$ 502,422	$ 438,553
Long-term debt	500,955	533,652
Deferred inc. taxes	24,612	23,625
+ Capital stock:		
Class A	79,519	65,297
Class B	95,017	64,472
Class C	95,283	64,472
Retained earnings	280,077	241,561
Total Liabilities & Shareholders' Equity	$ 1,577,885	$ 1,431,632

‡ Restated to reflect capitalization of leases.
* At lower of approximate cost or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.01	3.53
%Net Income to Sales	2.59	2.27
%Net Income to Equity	12.35	13.23
Sales to Inventories	5.55	5.86
Working Capital	$667,784,000	$602,736,000
Current Ratio	2.33	2.37
Shareholders' Equity	$549,896,000	$435,802,000

The Singer Company

8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200

Officers: Joseph B. Flavin, chairman & chief executive officer; William F. Schmied, president & chief operating officer; James J. Johnson, exec. v.p.-Sewing Products Group; Irwin Engleman, v.p. & chief financial officer; B. Allan Shaw, Jr., group v.p.-products & services for gov't.; Chester A. Williams, Jr., v.p.; John J. Collins, v.p.-industrial products operation, Sewing Products Group; Douglas W. Lauder, v.p.-marketing; Richard W. Snyder, v.p.-Climate Control Division; John P. Van Duyne, v.p.-engineering; John N. Sprague, v.p. & treasurer; Edmond W. Cattan, v.p. & general tax counsel; George R. Cogar, v.p.; Edmund H. Damon, v.p.-corp. operations staff; Robert A. Gallagher, v.p.-Link Div.; Leonard Fischer, group v.p.-products manufactured for the consumer; Edward J. Keehn, v.p.; Robert J. Lynch, v.p.-corp. services, personnel & organization; Robert J.M. Fisher, v.p.-U.S. Div., Sewing Products Group; Leo G. Blatz, v.p. & controller; Maurice Center, v.p.-Librascope Div.; Paul D. O'Connor, v.p.-general counsel; Chester A. William, Jr., v.p.; Terry W. Heil, v.p.-HRB Div.; Charles F. Keffer, v.p.-Education Div.; Jack H. Venner, v.p.-Meter Div.; Patricio H. Andrade-Marin, v.p.-Int'l. Div., Sewing Products Group; L. John Clark, v.p.-sewing products operations staff; Ralph K. Kessler, secretary.

Directors: Joseph B. Flavin, chairman; Arthur H. Fredston, Donald E. Meads, Lloyd L. Kelly, James W. McKee, Jr., Ian K. MacGregor, Arthur J. Santry, Jr., Polly Bergen, Randolph W. Bromery, Francis E. Ferguson, William F. Schmied.

Business Activities: Operates a worldwide chain of Singer stores which sell at retail consumer goods manufactured by the Company; Consumer Sewing Machines and Related Products include sewing machines, cabinets and sewing aids, fabrics, sewing notions, and floor care equipment. Manufactures and markets industrial sewing and textile machinery. Products and Services for Government include the aerospace and marine systems educational products and services. Aerospace systems operations include a broad line of navigation systems for aircraft, spacecraft, and marine vessels; guidance systems for missiles; anti-submarine warfare systems; aircraft, spacecraft, marine and industrial simulators; large-screen display systems; educational materials, audio-visual equipment and training products; electronic intelligence systems; telecommunications; terminals; and related systems and products. Products manufactured for the consumer include air conditioning and heating equipment, controls, meters, furniture and motor products such as vacuum cleaners and power tools manufactured for Sears, Roebuck & Co.

Transfer Agent(s):

The First Jersey National Bank (common & 3.50, $1.50 & $12.50 Series preferred stock)
Stock Transfer Division
One Exchange Place
Jersey City, New Jersey 07303

Crocker National Bank (common & $3.50 preferred stock)
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): New York, Pacific, Boston*, Midwest*, Phila.-Balt.-Wash*, Cincinnati*, Paris, London.

* Trading privileges only.

Ticker Symbol: SMF

Number of Stores: (at fiscal year end)

1979*	725	1976	1,000
1978*	900	1975	1,000
1977	950		

* Only U.S. Stores.

Sales and Earnings

	Net Sales + (000's)	Net Income ‡ (000's)	No. of Com. Shares	Earn. per Share ‡†
1979	$ 2,598,100	$ (92,300)	16,576,792	$ —
1978	2,469,200	62,800	17,331,239	3.33
1977	2,284,800	94,200	17,448,747	5.11
1976	2,114,700	74,200	17,358,832	3.98
1975	1,979,600	(451,900)	16,532,311	

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gains of $2,500,000 ($0.14 per share) in 1978, $16,400,000 ($0.94 per share) in 1977 and $14,000,000 ($0.80 per share) in 1976.
† Based on the average number of common shares and common share equivalents outstanding.

Revenues by Line of Business †
(000's)

Consumer sewing mach. & rel. products	$ 1,195,800	$ 1,160,700
Industrial sewing mach. & rel. products	142,600	135,900
Furniture	151,000	153,900
Power tools & floor care	162,000	168,900
Controls prods.	118,100	125,400
Air cond. & hearing equipment	134,300	122,700
Meter prods.	90,300	73,900
Aerospace & Marine sys.	519,800	461,700
Education	84,200	66,100
Total	$ 2,598,100	$ 2,469,200

† Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.50	—	—
1978	0.75	—	—
1977	0.25	—	—
1976	0.10	—	—
1975	0.30	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1979	$218,600,000	$13.19
1978	324,600,000	18.73
1977	278,600,000	15.97
1976	192,800,000	11.11
1975	125,300,000	7.58

‡ After allowing for preferred stock at total liquidation preference value.
† Based on the average number of common shares and common share equivalents outstanding.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 2,598,100	$ 2,469,200
Cost of sales	1,754,900	1,600,500
Expenses	716,500	707,800
Other income	(11,800)	(12,000)
Minority interest	(12,200)	(15,800)
Interest expense	60,300	59,100
For. exch. adjust.	25,100	17,600
Prov. for facility restructuring	130,000	2,300
Income (loss) before taxes	$ (64,700)	$ 109,700
Income taxes	27,600	49,400
Net Income (Loss)	$ (92,300)	$ 60,300
Extraordinary gains	—	2,500
Net Income (Loss) & extraordinary gain	$ (92,300)	$ 62,800

* Included in Costs and Expenses, Depreciation and Amortization: $54,400,000 in 1979 and $52,900,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 69,300	$ 89,400
Accts. receiv., net	410,700	385,100
*Inventories	526,900	483,200
Prepaid expenses	11,400	10,900
Current Assets	$ 1,018,300	$ 968,600
Investments	118,200	120,200
#Fixed assets	289,100	280,600
Other assets	56,800	66,000
Total Assets	$ 1,482,400	$ 1,435,400

Liabilities
(000's)

Notes & loans payable	$ 109,700	$ 112,200
Long-term debt, curr.	30,000	21,200
Accts. payable	191,900	177,100
Accruals	309,300	212,700
Income taxes	18,700	18,600
Curr. Liabilities	$ 659,600	$ 541,800
Long-term debt	298,900	326,900
Other liabilities	127,600	64,400
+ Preferred stock	25,500	25,500
+ + Common stock	165,800	165,700
Add. paid-in capital	37,000	37,000
Retained earnings	168,000	274,100
Total Liabilities & Shareholders' Equity	$ 1,482,400	$ 1,435,400

* At lower of cost or (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $10 par value.

Statistical Summary

%Income before taxes to Sales	—	4.44
%Net Income to Sales	—	2.44
%Net Income to Equity	—	12.00
Sales to Inventories	4.93	5.11
Working Capital	$358,700,000	$426,800,000
Current Ratio	1.54	1.79
Shareholders' Equity	$396,300,000	$502,300,000

Sobeys Stores Limited

115 King Street
Stellarton, Nova Scotia, BOK 1S0, Canada
(902) 752-8371

Officers: Frank H. Sobey, honorary chairman of the board; William M. Sobey, chairman & chief executive officer; David F. Sobey, president; J. Skiffington Murchie, exec. v.p.; D. B. Eddy, v.p.-personnel; Nigel F. Byars, v.p.-finance & treasurer; Frank J. Hickey, v.p.-merchandising; J. Robert MacMillan, secretary.

Directors: Merritt G. Crawford, William G. Lumsden, J. William Ritchie, Arthur R. Lundrigan, J. Skiffington Murchie, Henry B. Rhude, David F. Sobey, Donald R. Sobey, Frank H. Sobey, William M. Sobey.

Business Activities: Engaged in food distribution and merchandising. Operates a chain of grocery stores in Prince Edward Island, Nova Scotia, Newfoundland, New Brunswick, Quebec and Ontario. These stores operate under the name of T.R.A. Stores, Lumsden Brothers, Joy Stores, K-Mart Stores and Sobey's Food Village. Also engaged in real estate activities.

Subsidiaries:

T.R.A. Foods Limited
Lumsden Brothers Limited

Transfer Agent(s):

Montreal Trust Co.
Montreal, Quebec, Canada
Toronto, Ontario, Canada
Saint John, New Brunswick, Canada
Halifax, Nova Scotia, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: SYS

Number of Stores: (at fiscal year end)

1979	74	1976	63
1978	65	1975	81
1977	63		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$307,825,000	$ 1,900,000
1978	256,389,000	1,091,000
1977*	236,806,000	3,316,000
1976	209,368,726	689,229
1975	181,337,481	1,080,216

	No. of Com. Shares #	Earn. per Share ‡
1979	774,862	$2.35
1978	774,862	1.31
1977	774,862	4.18
1976	774,862	0.79
1975	774,862	1.29

* 53 weeks.
‡ Including extraordinary gain of $2,229,000 ($2.88 per share) in 1977 and $321,990 ($0.41 per share) in 1975.
# Class A common and Class B common shares combined

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979 Class A	$0.40	—	—
1978 Class B	0.20	—	—
1977 Class A	0.40	—	—
1976 Class A	0.40	—	—
1975 Class A	0.40	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$ 14,227,780	$18.36
1978	12,586,280	16.24
1977	11,780,280	15.20
1976	8,679,380	11.20

‡ After allowing for preferred stock at par value.

Income Account

Year ended	5/5/79	5/6/78
Net sales	$307,825,000	$256,389,000
Cost of sales & expenses	301,911,000	252,527,000
Depreciation	1,810,000	1,592,000
Interest expense	1,530,000	1,262,000
Investment income	(506,000)	(430,000)
Income before taxes	$ 3,080,000	$ 1,438,000
Income taxes	1,128,000	294,000
Minority interest	52,000	53,000
Net Income	$ 1,900,000	$ 1,091,000

Assets

As of	5/5/79	5/6/78
Cash	$ 3,241,000	$ 2,702,000
Marketable securities	12,807,000	10,389,000
Receiv., net	4,435,000	3,864,000
*Inventories	18,735,000	15,769,000
Prepaid expenses	1,355,000	1,477,000
Current Assets	$ 40,573,000	$ 34,201,000
Investments	812,000	2,332,000
#Fixed assets	14,250,000	11,911,000
Total Assets	$ 55,635,000	$ 48,444,000

Liabilities

Bank loans	$ 3,654,000	$ 1,847,000
Bankers acceptances	2,500,000	4,500,000
Long-term debt, curr.	217,000	217,000
Accruals & payable	23,894,000	19,268,000
Income taxes	438,[illegible]0	133,000
Deferred inc. taxes current	501,000	290,000
Curr. Liabilities	$ 31,204,000	$ 26,255,000
Long-term debt	7,352,000	7,272,000
Minority interest	497,000	454,000
Deferred income taxes	1,165,000	641,000
+ Preferred stock	1,189,000	1,236,000
+ + Common Stock:		
Class A	1,740,000	1,740,000
Class B	687,000	687,000
Capital redemption reserve fund	56,000	9,000
Retained earnings	11,745,000	10,150,000
Total Liabilities & Shareholders' Equity	$ 55,635,000	$ 48,444,000

* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ $20 par value, 6¼% cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.00	0.56
%Net Income to Sales	0.62	0.43
%Net Income to Equity	12.32	7.89
Sales to Inventories	16.43	16.26
Working Capital	$ 9,369,000	$ 7,946,000
Current Ratio	1.30	1.30
Shareholders' Equity	$ 15,417,000	$ 13,822,000

The Southland Corporation

2828 North Haskell Avenue
Dallas, Texas 75204
(214) 828-7011

Mailing address:

Box 719
Dallas, Texas 75221

Officers: John P. Thompson, chairman of the board & chief exec. officer; Jere W. Thompson, president; Walton Grayson III, exec. v.p.-administration & services; Joseph S. Hardin, exec. v.p.-planning & special operations group; Clark J. Matthews, II, exec. v.p. & chief financial officer; J.C. Thompson, Jr., exec. v.p.-retail; S.R. Dole, v.p.-stores group; Joseph S. Hardin, Jr., v.p.-planning & special operations group; James W. Parker, v.p.-dairies group; Vaughn R. Heady, Forrest Stout, M.T. Cochran, Jr., vice presidents; RG Smith, secretary & treasurer; P. Eugene Pender, controller.

Directors: William W. Atwell, J.Y. Ballard, Walton Grayson III, Joseph S. Hardin, Mark L. Lemmon, Jere W. Thompson, John P. Thompson, Clifford W. Wheeler, J.C. Thompson, Jr., Alan C. Schoellkopf.

Business Activities: Operator and franchisor of self-service convenience stores and a processor and distributor of dairy products. At December 31, 1979, there were 6,805 convenience food stores (principally under the name 7-Eleven in 42 states, the District of Columbia, and Canada), 105 Gristede's and Charles & Co. food stores and sandwich shops in the New York City metropolitan area, 9 Super Siete stores in Mexico; 467 convenience type CTN stores (confectionary, tobacco, news) in the United Kingdom, which operate primarily under the R.S. McColl Ltd. name and 14 7-Eleven stores. Operates an additional 346 7-Eleven stores in the U.S. and 774 in Japan operating under eight area licenses and 17 in Australia and 26 in Sweden. Operates 28 dairy processing plants and 83 dairy distribution centers in 29 states and Washington, D.C. Other operations include sandwich and syrup manufacture specialty chemical products, commercial and packaged ice.

The Scouthland Corporation

Division(s):

Stores Group

General Office
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7011

Company Operated Stores
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7114

Company Franchised Stores
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7305

Stores Merchandising
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7483

Southern Region
2580 N.E. Expressway Access
P.O. Box 49023
Atlanta, Georgia 30359
(404) 321-4528

South Virginia Division
814 Baker Road
P.O. Box 62506
Virginia Beach, Virginia 23462
(804) 499-9661

Southern Division
2580 NE Expressway Access
P.O. Box 49023
Atlanta, Georgia 30359
(404) 321-4528

North Florida Division
5500-5800 Diplomat Circle
Suite 105
Orlando, Florida 32810
(305) 628-4456

Southeastern Division
P.O. Box 1296
1770 E. 4th Avenue
Hialeah, Florida 33011
(305) 885-1671

Northern Region
425 Cherry Street
Bedford Hills, New York 10507
(914) 241-2300

Capital Division
6600 Commerce Street
Springfield, Virginia 22150
(703) 971-6800

Mid-Atlantic Division
2711 Easton Road
Willow Grove, Pennsylvania 19090
(215) 672-5711

Northeastern Division
425 Cherry Street
Bedford Hills, New York 10507
(914) 241-2300

Ohio Valley Division
2700 E. Dublin-Granville Road
Suite 200
Columbus, Ohio 42359
(614) 890-5250

Central Region
1993 Hicks Road
Rolling Meadows, Illinois 60008
(312)-991-8711

Great Lakes Division
1993 Hicks Road
Rolling Meadows, Illinois 60008
(312) 991-8711

Canadian Division
4285 Canada Way
Burnaby, B.C. V5G 1H2

Southwestern Region
12200 Park Central
Suite 500
Dallas, Texas 75251
(214) 980-8055

North Texas Division
12200 Park Central
Suite 500
Dallas, Texas 75251
(214) 980-8055

Lone Star Division
1106 Clayton Lane
Suite 250 West
Austin, Texas 78723
(512) 458-9261

South Central Division
9104 Larston Road
Houston, Texas 77055
(713) 468-0711

Mid South Division
411 Colonial Drive
Baton Rouge, Louisiana 70806
(504) 926-8970

Mid-West Division
9710 Natural Bridge
St. Louis, Missouri 63134
(314) 427-5711

Mountain Division
5700 East Evans Avenue
P.O. Box 5001
Denver, Colorado 80222
(303) 757-6471

Western Region
7839 University Avenue
P.O. Box 698
La Mesa, California 92041
(714) 465-2101

South Pacific Division
7839 University Avenue
P.O. Box 698
La Mesa, California 92041
(714) 465-2101

South Pacific Division
7839 University Avenue
P.O. Box 698
La Mesa, California 92041
(714) 465-2101

Central Pacific Division
7839 University Avenue
P.O. Box 698
La Mesa, California 92041
(714) 465-2101

Central Pacific Division
10320 Bubb Road
Cupertino, California 95014
(408) 996-1711

Golden State Division
1816 Tribute Road
Sacramento, California 95815
(916) 929-7700

Western Gasoline Division
2444 Moor Park Avenue
Suite 316
San Jose, California 95128
(408) 293-9942

North Pacific Division
320 Andover Park East
Suite 270
P.O. Box 88027
Tukwila, Washington 98188
(206) 575-6711

Western Pacific Division
2222 Martin
Suite 155
P.O. Box 19527
(714) 752-7711

Dairies Group - General Office
2828 N. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7425

Oak Farms Division
1114 N. Lancaster
P.O. Box 5178
Dallas, Texas 75222
(214) 941-0302

Cabell's Division
4017 Commerce Street
Dallas, Texas 75226
(214) 821-9164

Embassy Dairy Division
P.O. Box 114
Mattawoman Drive
Waldorf, Maryland 20601
(301) 645-1388
(301) 843-1212

Midwest Farms Division
1681 Union Avenue
P.O. Box 450
Cross Town Station
Memphis, Tennessee 38104
(901) 274-8212

Velda Farms Division
501 N.E. 181st Street
P.O. Box 64000B
Miami, Florida
(305) 651-3511

Wanzer's Division
130 W. Garfield Boulvard
Chicago, Illinois 60609
(312) 268-7900

Bancroft Dairy Division
1010 South Park Street
Madison, Wisconsin 53715
(608) 257-1006

Knowlton's Dairy Division
1314 Fredericksburg Road
P.O. Box 666
San Antonio, Texas 78293
(215) 732-1111

Western Division (Adohr Farms)
4002 W. Westminister Avenue
P.O. Box 1945
Santa Ana, California 92703
(714) 837-2100

N.E. Division
Kensington & Hunting Park Avenue
Philadelphia, Pennsylvania 14124
(215) 743-6300

Specialty Foods Division
8905 Forum Way
Ft. Worth, Texas 76145
(817) 293-8164

Packaging Division
8905 Forum Way
Ft. Worth, Texas 76145
(817) 293-8164

Special Operations Group-General Office
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7210

Chemical Division
1st Continental Bank Bldg.
Suite 400
5801 Marvin D. Love Frey
Dallas, Texas 75237
(214) 331-8391

Reddy Ice Division
Two Turtle Creek
Suite 1000
Dallas, Texas 75219
(214) 526-6740

The Stanford Agency, Inc.
2828 No. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 826-8520

Distribution Division
2828 N. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7211

Fast Foods Division
3636 McKinney
Dallas, Texas
(214) 559-0850

Landshire Food Systems, Inc.
3636 McKinney
Dallas, Texas
(214) 559-0840

Southland International
2828 N. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7815

Arthur C. Trask, Inc.
7666 W. 63 Street
Summit, Illinois 60501
(312) 458-8450

Southern Shortenings, Inc.
2530 Jewitt Lane
P.O. Box 1975
Sanford, Florida 32771
(305) 322-8892

Tidel Systems
2615 E. Belt Line Road
Carrollton, Texas
(214) 245-8591

Chief Auto Parts
3636 McKinney
Dallas, Texas
(214) 559-0850

Subsidiaries:

The Southland Corporation (Canada) Ltd.
American Service Realty Co.
Texstore Properties Corp.
Kwik-Check Realty Co., Inc.
Liberty-South Corp.
Oak Farms Crystal Pure, Inc.
Dalland Properties Corp.
Fredland Properties Corp.
Dalstore Properties Corp.
Texland Properties Corp.
Second Texland Properties Corp.
Tylerland Properties Corp.
Helena Aviation, Inc.
First Stevenson Properties Corp.
Second Stevenson Properties Corp.
Tac Tannins and Chemicals, Inc. (75% owned)
Southland Fuels, Inc.
Second Clarkland Properties Corp.
Naroppet A.B. (51% owned)
Lavico's, Inc.
Knowlton's Dairy Corporation
Third Stevenson Properties Corp.
Fourth Stevenson Properties Corp.
Fifth Stevenson Properties Corp.
Massland Properties Corp.
Southland McColl (U.K.) Limited
First Clarkland Properties Corp.

All at:

2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7011

Affiliates:

Darrollo de Distribution Alimenticia, S.A.
(49% owned)
Mexico

Quimiproductos, S.A. (49% owned)
Mexico

Acquisition(s):

Knowlton's Inc.
San Antonio, Texas

Transfer Agent(s):

First National Bank in Dallas
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: SLC

Number of Stores:* (at fiscal year end)

1979	6,805	1976	6,077
1978	6,708	1975	5,727
1977	6,471		

* Including company operated and franchise convenience stores.

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1979	$ 3,876,059	$ 83,141
1978	3,090,094	57,097
1977	2,545,415	45,317
1976	2,122,023	37,849
1975	1,790,805	32,068

	No. of Com. Shares #	Earn. per Share #
1979	21,626,397	$3.84
1978	20,787,335	2.75
1977	20,615,977	2.20
1976	20,354,641	1.86
1975	20,232,235	1.58

† Includes franchised stores and other income.
# Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1979 (000's)	%	1978 (000's)	%
Store group	$3,463,600	89%	$2,791,000	90%
Dairy group	314,700	8	253,400	8
Special operations group	90,700	3	40,900	2
Corporate	7,000	—	4,800	—
Total	$3,876,000	100%	$3,090,100	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.80	3%	—
1978	0.66	3%	—
1977	0.53	3%	—
1976	0.43	3%	—
1975	0.35	3%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$497,605,131	$23.01
1978	374,467,419	18.01
1977	329,952,497	16.00
1976	290,142,000	14.25
1975	259,940,000	12.85

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account*

Year ended Dec. 31	1979	1978
Net sales°	$3,856,222,000	$3,076,532,000
Other income	19,837,000	13,562,000
Total income	$3,876,059,000	$3,090,094,000
Cost of sales	2,922,982,000	2,311,024,000
Expenses	785,979,000	619,519,000
Prof. sh. plan	13,304,000	11,714,000
Interest expense	40,236,000	35,129,000
Income before taxes	$ 113,558,000	$ 112,708,000
Income taxes	46,082,000	55,611,000
Cum. effect of acctng. change	(15,665,000)	—
Net Income	$ 83,141,000	$ 57,097,000

* Included in Costs and Expenses. Depreciation: $56,501,186 in 1979 and $46,839,875 in 1978.

Assets

As of Dec. 31	1979	1978
Cash and cash investments	$ 79,927,065	$ 87,745,504
Accts. & notes receiv., net	96,383,120	68,744,325
*Inventories	200,793,642	171,478,745
Deposits & prepaid expenses	30,507,890	24,777,392
Investment in prop.	67,500,000	55,857,419
Current Assets	$ 475,111,717	$ 403,603,385
Investments	28,847,437	27,364,352
#Fixed assets	630,025,503	479,554,364
Other assets	24,819,962	26,223,652
Capitalized leases	208,770,246	197,730,040
Total Assets	$1,367,574,865	$1,134,475,793

Liabilities

Long-term debt, curr.	$ 4,024,901	$ 13,254,868
Capitalized lease, curr.	20,361,947	20,157,217
Accts. payable & accruals	275,512,771	211,920,848
Income taxes	6,626,199	18,636,987
Curr. Liabilities	$ 306,525,818	$ 263,969,920
Long-term debt	326,892,766	261,460,472
Capitalized lease	226,257,199	211,342,074
Deferred credits	10,293,951	23,235,908
+Common stock	229,355	202,006
Add. paid-in capital	319,067,335	242,339,822
Retained earnings	178,308,441	131,925,591
Total Liabilities & Shareholders' Equity	$1,367,574,865	$1,134,475,793

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income Bef. Taxes to Sales	2.94	3.66
%Net Income to Sales	2.16	1.86
%Net Income to Equity	16.71	15.25
Sales to Inventories	19.20	17.94
Working Capital	$ 168,585,899	$ 139,633,465
Current Ratio	1.55	1.53
Shareholders' Equity	$ 497,605,131	$ 374,467,419

Spencer Companies, Inc.

450 Summer Street
Boston, Massachusetts 02210
(617) 542-8120

Spencer Companies, Inc.

Officers: C. Charles Marran, president & chief executive officer; Herbert Rosen, executive vice president & chief operating officer; Donald C. Burgess, sr. v.p. & gen. merch. mgr.; Frank L. Marran, sr. v.p. & dir.-imports & mfg.; Irwin J. Lakin, v.p. & dir.-retail operations; Meyer Magid, v.p.-dir., apparel div.; Arnold Siegel, v.p.-corp. development; William A. Oliver, v.p. & treasurer; Lewis H. Weinstein, clerk.

Directors: C. Charles Marran, Donald C. Burgess, Frank L. Marran, William A. Oliver, Herbert Rosen; Meyer Magid

Business Activities: Operates leased shoe departments in discount department stores; also has manufacturing subsidiaries in footwear and misses apparel.

Subsidiaries:

Leo Kesslen & Son, Inc.
120 Northeastern Boulevard
Nashua, New Hampshire 03060
(603) 889-4188
Manufacturer of nurses' and women's service shoes.

Happy Legs, Inc.
132 W. 36th Street
New York, New York 10018
(212) 695-2255
Young women's pants and sportswear.

Benes & Hurdus
1407 Broadway
New York, New York 10018
(212) 564-2677
Manufacturer of ladies fashion blouses.

Transfer Agent(s):

State Street Bank and Trust Company
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: SPN

Number of Leased Depts. (at fiscal year end)

1980	195	1977	171
1979	169	1976	170
1978	167		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 64,693,125	$ 1,449,476
1979	56,995,911	946,337
1978*	68,374,129	1,401,450
1977	67,447,246	344,732
1976	73,291,832	1,068,973

	No. of Com. Shares #	Earn. per Share #
1980	1,718,977	$0.84
1979	1,718,977	0.55
1978	1,721,580	0.81
1977	1,721,806	0.20
1976	1,760,728	0.61

* 53 weeks.
‡ Includes operating revenues, of continuing operations only.
# Based on the weighted daily average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.17	—	—
1979	0.155	—	—
1978	0.115	—	—
1977	0.095	—	—
1976	0.04	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 17,814,168	$10.36
1979	16,656,918	9.69
1978	15,973,305	9.28
1977	14,783,422	8.59
1976	14,602,309	8.29

‡ Based on the weighted daily average number of shares outstanding.

Income Account

Year ended	5/31/80	6/2/79
Net sales	$ 64,693,125	$ 56,995,911
Cost of sales	41,983,619	38,245,280
Expenses	19,051,234	16,348,307
Depreciation & amortization	342,010	371,472
Interest expense	707,677	668,579
Interest income	(534,133)	(565,573)
Other expense	168,197	19,786
Income before taxes	$ 2,974,521	$ 1,908,060
Income taxes	1,525,045	961,723
Net Income	$ 1,449,476	$ 946,337

Assets

As of	5/31/80	6/2/79
Cash	$ 4,186,200	$ 5,738,913
Leased departments	511,002	679,596
Due from factor	2,678,586	1,176,359
Marketable securities	1,870,028	1,320,172
Accts. & notes receiv., net	1,754,881	1,282,383
Refundable taxes	33,650	192,100
* Inventories	13,145,750	11,059,866
Prepaid expenses	232,960	422,048
Current Assets	$ 24,413,057	$ 21,871,437
# Fixed assets	2,613,248	2,632,366
Intangibles & other assets	1,099,345	1,188,890
Total Assets	$ 28,125,650	$ 25,692,693

Liabilities

Long-term debt, curr.	$ 547,047	$ 534,851
Accts. payable	5,143,100	3,820,140
Accruals	906,444	392,722
Accrued payroll	669,221	724,877
Curr. Liabilities	$ 7,265,812	$ 5,472,590
Long-term debt	3,045,670	3,563,185
+ Common stock	2,069,013	2,069,013
Add. paid-in capital	4,077,028	4,077,028
Retained earnings	12,173,369	11,016,119
Treasury stock	(505,242)	(505,242)
Total Liabilities & Shareholders' Equity	$ 28,125,650	$ 25,692,693

* At lower of cost (FIFO for mfg. and the retail method for the retail div.) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.60	3.35
%Net Income to Sales	2.24	1.66
%Net Income to Equity	8.14	5.68
Sales to Inventories	4.92	5.15
Working Capital	$ 17,147,245	$ 16,398,847
Current Ratio	3.36	4.00
Shareholders' Equity	$ 17,814,168	$ 16,656,918

Sprouse-Reitz Co., Inc.

P.O. Box 8996
1411 S.W. Morrison Street
Portland, Oregon 97205
(503) 224-8220

Officers: J.A. Sprouse, chairman of the board; R.A. Sprouse II, president; J.L. Goss, v.p.-treasurer; R.H. Leonard, v.p.-merchandising; J.E. Sprouse, secretary; B.E. Clegg, asst. treasurer.

Directors: J.A. Sprouse, Frederick H. Torp, R.A. Sprouse.

Business Activities: Operates a chain of variety stores in Oregon, Washington, California, Utah, Montana, Texas, Nevada, New Mexico, Arizona, Idaho, Oklahoma and Wyoming.

Transfer Agent(s):

Sprouse-Reitz Co., Inc.
Portland, Oregon

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	333	1976	380
1978	354	1975	382
1977	370		

Sales and Earnings

	Net Sales	Net Income
1979	$136,749,119	$ 4,245,865
1978	124,693,433	2,478,942
1977	115,944,907	2,423,822
1976	108,629,540	2,678,233
1975	96,952,081	2,146,824

	No. of Com. Shares	Earn. per Share ‡
1979	143,473	$29.59
1978	143,486	17.27
1977	143,572	16.85
1976	143,867	18.62
1975	141,047	14.92

‡ Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$4.65	—	—
1978	4.20	—	—
1977	4.20	2%	—
1976	4.00	2%	—
1975	4.00	2%	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 35,506,664	$ 247.48
1978	31,928,887	222.52
1977	30,058,595	209.36
1976	28,258,460	196.42
1975	26,144,409	185.36

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$136,749,119	$124,693,433
Cost of sales	96,342,749	89,359,512
Expenses	31,538,580	29,584,557
Interest expense	779,100	927,678
Other expense (income)	(27,175)	2,744
Income before taxes	$ 8,115,865	$ 4,818,942
Income taxes	3,870,000	2,340,000
Net Income	$ 4,245,865	$ 2,478,942

* Included in Costs and Expenses, Depreciation and Amortization: $1,301,656 in 1979 and $1,307,368 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 5,212,703	$ 7,421,537
Short-term invest.	7,019,212	

Receiv., net	204,303	119,853
* Inventories	32,458,922	33,048,398
Current Assets	$ 44,895,140	$ 40,589,788
≠ Fixed assets	8,863,765	9,368,631
Other assets	534,892	526,449
Total Assets	$ 54,293,797	$ 50,484,868

Liabilities

Long-term debt, curr	$ 1,256,900	$ 1,252,800
Accts. payable	6,421,301	6,346,123
Accruals	3,236,700	2,500,301
Income taxes	1,159,620	542,973
Curr. Liabilities	$ 12,074,521	$ 10,642,197
Long-term debt	4,893,822	6,155,700
Deferred tax credits	468,790	508,084
Deferred inc. taxes	1,350,000	1,250,000
+ Common stock:		
Voting	3,486,464	3,486,464
Nonvoting	10,900,188	10,900,188
Retained earnings	21,147,658	17,568,936
Treasury stock	(27,646)	(26,701)
Total Liabilities & Shareholders' Equity	$ 54,293,797	$ 50,484,868

* At average cost not in excess of market (net realizable value.)
≠ Less accumulated depreciation and amortization.
+ $100 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.93	3.86
%Net Income to Sales	3.10	1.99
%Net Income to Equity	11.96	7.76
Sales to Inventories	4.21	3.77
Working Capital	$ 32,820,619	$ 29,947,591
Current Ratio	3.72	3.81
Shareholders' Equity	$ 35,506,664	$ 31,928,887

Standard Brands Paint Company

4300 West 190th Street
Torrance, California 90509
(213) 772-2371

Officers: John DeGregory, chairman of the board, president & chief executive officer; Sid Greenberg, chairman of the exec. & finance committee; Marvin Wager, exec. v.p. & chief operating officer; Milton M. Golden, v.p.-manufacturing; Eric Beck, v.p.-warehousing & transportation; Jack Bleckman, v.p.-merchandising; Paul M. Ozawa, v.p., chief financial officer & treasurer; Richard Dohan, v.p.-retail operations; Stuart D. Buchalter, secretary; Dorothy Cvetas, asst. corp. secretary.

Directors: Sid Greenberg, Irwin R. Buchalter, Marvyn Carton, John DeGregory, F.S.Kellstrom, Richard H. Loeffler, Marvin Wager.

Business Activities: Owns and operates retail paint and decorating centers in California, Arizona, Washington, Nevada, Utah, New Mexico, Texas and Oregon. Also manufactures paint and paint products.

Division(s):

Major Paint and Varnish Company
4300 West 190th Street
Torrance, California 90509
(213) 542-5901
Produces paint and paint products.

Subsidiaries:

Shiva, Inc.
Torrance, California
Produces artist colors and mediums.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: SBP

Number of Stores: (at fiscal year end)

1979	75	1976	63
1978	71	1975	59
1977	67		

Sales and Earnings

	Net Sales	Net Income
1979	$182,713,000	$ 14,302,000
1978	164,842,000	12,177,000
1977	151,610,000	11,369,000
1976	134,740,000	10,494,000
1975	115,766,000	8,874,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	5,305,000	$2.70
1978	5,305,000	2.30
1977	5,304,919	2.14
1976	5,297,385	1.98
1975	5,284,631	1.68

‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.60	—	—
1978	0.52	—	—
1977	0.44	—	—
1976	0.36	—	—
1975	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 88,437,000	$16.67
1978	77,319,000	14.57
1977	67,897,726	12.80
1976	58,834,848	11.11
1975	49,725,751	9.41

‡ Based on average number of shares outstanding.

Income Account *

Year ended Sept. 30	1979	1978
Net sales	$182,713,000	$164,842,000
Cost of sales	101,288,000	91,398,000
Expenses	54,480,000	48,443,000
Oper. profit	$ 26,945,000	$ 25,001,000
Interest expense	131,000	165,000
Loss (gain), on dispos. prop., plant & equip.	(1,268,000)	34,000
Income before taxes	$ 28,082,000	$ 24,802,000
Income taxes	13,780,000	12,625,000
Net Income	$ 14,302,000	$ 12,177,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,586,000 in 1979 and $2,469,000 in 1978.

Assets

As of Sept. 30	1979	1978
Cash	$ 10,669,000	$ 2,452,000
Receiv., net	1,233,000	1,106,000
* Inventories	45,397,000	41,950,000
Prepaid expenses	1,345,000	1,437,000
Deferred income taxes	960,000	1,096,000
Current Assets	$ 59,604,000	$ 48,041,000
≠ Fixed assets	42,383,000	38,810,000
Intangibles	2,521,000	2,521,000
Total Assets	$104,508,000	$ 89,372,000

Liabilities

	1979	1978
Long-term debt, curr	$ 264,000	$ 264,000
Accts. payable	7,915,000	7,203,000
Accruals	2,887,000	2,498,000
Income taxes	3,237,000	542,000
Curr. Liabilities	$ 14,303,000	$ 10,507,000
Long-term debt	1,768,000	1,546,000
+ Common stock	5,305,000	5,305,000
Add. paid-in capital	4,275,000	4,272,000
Retained earnings	78,857,000	67,739,000
Total Liabilities & Shareholders' Equity	$104,508,000	$ 89,372,000

* Finished goods valued at lower of cost or market, as determined by the retail method. Raw materials valued at lower of cost (FIFO) or replacement market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.37	15.05
%Net Income to Sales	7.83	7.39
%Net Income to Equity	16.17	15.75
Sales to Inventories	4.02	3.93
Working Capital	$ 45,301,000	$ 37,534,000
Current Ratio	4.17	4.57
Shareholders' Equity	$ 88,437,000	$ 77,319,000

Star Supermarkets, Inc.

175 Humboldt Street
P.O. Box 1630
Rochester, New York 14603
(716) 288-5050

Officers: Morris Levinson, honorary chairman of the board; Wallace E. Fearnley, chairman of the board; Theodore Levinson, president & chief executive officer; Henry J. Rubens, executive vice president; Sidney Levinson, Gerald J. Foster, senior vice presidents; William A. Jenny, vice president-finance & secretary; Donald B. Rubens, vice president-bakery sales & real estate.

Directors: Morris Levinson*, Wallace E. Fearnley*, Gerald J. Foster*, Sidney Levinson*, Henry J. Rubens*, Justin L. Vigdor, Donald B. Rubens, Theodore Levinson*, LaRoy B. Thompson, William A. Jenny, Angelo A. Costanza.

* Member of Executive Committee.

Business Activities: Operates Star Supermarkets in New York State. Through a wholly-owned subsidiary, the Company owns real estate at nine retail locations.

Transfer Agent(s):

Lincoln First Bank, N.A.
Stock Transfer Department, P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): American

Ticker Symbol: STR

Number of Stores: (at fiscal year end)

1979	41	1976	40
1978	40	1975	39
1977	40		

Sales and Earnings

	Net Sales	Net Income
1979	$248,904,120	$ 3,135,411
1978	228,282,150	2,154,000
1977	210,293,741	1,091,000
1976	204,711,543	1,746,000
1975*	197,687,976	1,818,000

Star Supermarkets, Inc.

	No. of Com. Shares #	Earn. per Share #
1979	862,000	$3.64
1978	856,000	2.52
1977	856,000	1.27
1976	848,000	2.06
1975*	842,000	2.16

* 53 weeks.
# Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.72	25%	—
1978	0.616	—	—
1977	0.608	—	—
1976	0.56	10%	—
1975	0.531	10%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 17,418,000	$20.14
1978	14,853,000	17.33
1977	13,183,000	15.40
1976	12,632,000	14.89
1975	11,254,000	13.36

Adjusted to reflect stock dividends.

Income Account*

Year ended	12/29/79	12/30/78
Net sales	$248,904,120	$228,282,150
Cost of sales	195,531,684	179,414,803
Expenses	42,889,392	39,888,591
Depreciation & amortization	3,414,608	3,011,411
Interest expense	1,623,025	1,498,724
Income before taxes	$ 5,445,411	$ 4,468,621
Income taxes	2,310,000	2,100,000
Cum. effect of change in acct. method	—	214,300
Net Income	$ 3,135,411	$ 2,154,321

* Included in Costs and Expenses. Depreciation and Amortization: $3,414,608 in 1979 and $3,011,411 in 1978.

Assets

As of	12/29/79	12/30/78
Cash & cert. of deposits	$ 1,027,709	$ 3,135,592
Receiv., net	1,818,933	1,270,888
*Inventories	13,096,313	12,290,730
Prepaid expenses	1,196,743	1,166,126
Current Assets	$ 17,139,698	$ 17,863,336
# Fixed assets	27,720,039	25,857,730
Other assets & investments	705,529	400,058
Total Assets	$ 45,565,266	$ 44,121,124

Liabilities

Long-term debt, curr.	$ 420,000	$ 392,300
Oblig. for cap. leases, curr.	718,180	619,284
Accts. payable	6,068,786	6,929,678
Accruals	1,992,363	2,209,500
Accrued payroll	1,550,757	1,320,560
Income taxes	448,147	1,388,317
Curr. Liabilities	$ 11,198,233	$ 12,859,639
Long-term debt	4,125,061	4,535,424
Cap. lease oblig.	11,986,576	11,201,208
Deferred inc. taxes	504,500	283,500
Liability for deferred compen.	333,131	388,653
+ Common stock	910,041	728,353
Add. paid-in capital	2,916,920	1,068,366
Retained earnings	13,846,572	13,356,866
Treasury stock	(255,768)	(300,885)
Total Liabilities Shareholders' Equity	$ 45,565,266	$ 44,121,124

* Lower of cost (LIFO) or market for grocery category. Bal. stated at avg. cost or market, whichever is lower.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.19	1.96
%Net Income to Sales	1.26	0.94
%Net Income to Equity	18.00	14.50
Sales to Inventories	19.01	18.57
Working Capital	$ 5,941,465	$ 5,003,697
Current Ratio	1.53	1.39
Shareholders' Equity	$ 17,417,765	$ 14,853,000

Steinberg Inc.

Alexis Nihon Plaza
1500 Atwater Avenue
Montreal, Quebec, Canada H3Z 1Y3
(514) 931-9131

Officers: Melvyn A. Dobrin, chairman of the board & chief executive officer; Jack Levine, president; Nathan Steinberg, senior vice president and vice-chairman of the board; H. Arnold Steinberg, exec. vice president-finance & development; James N. Doyle, exec. vice president-legal and corporate affairs; William Howieson, vice president-treasurer and comptroller; Harold G. Geraghty, v.p.-real estate, Ontario; John Nagy, v.p. & gen. mgr.-Architecture & Construction; Henri Tremblay, group v.p.-human resources; Gerry Spitzer, group v.p. & gen. mgr.-Quebec Div.; Sidney Pasoff, v.p.-management systems & control; Morris Ladenheim, v.p.-private label development; Mitzi S. Dobrin, group v.p. & gen. mgr.-Miracle Mart Division; Norman Auslander, group v.p. & gen. mgr.-Ontario Div.; Stanley F. English, v.p. & general counsel; Diane Marcelin Laurin, secretary.

Directors: Nathan Steinberg, Melvyn Dobrin, James N. Doyle, Gerard Plourde, H. Arnold Steinberg, Lazarus Phillips, Andre Charron, Jack Levine, Mitzi Dobrin, Raymond Cyr, Donald G. Campbell.

Business Activities: Operates food stores in the provinces of Quebec, New Brunswick, and Ontario. Also operates discount department stores under the name of Miracle Mart. Businesses include restaurants, flour milling, sugar refining, bakery and food processing operations.

Divisioa(s):

Quebec Division
5400 Hochelega
Montreal, Quebec
(514) 252-7411
Operates 143 food stores in Quebec and eastern Ontario.

Ontario Division
75 Rexdale Boulevard
Rexdale, Ontario
(416) 743-8180
Operates 66 food stores in southwestern Ontario.

Miracle Mart Division
5151 Thimens Boulevard
Ville St. Laurent, Avenue
Montreal H4R 2C8 Quebec, Canada
(514) 333-6111
Operates 33 department stores.

Subsidiaries:

Cartier Sugar Ltd.
Dominion Industrial Building
Ville St. Pierre, Quebec
(514) 489-9747

Intercity Food Services, Inc.
Alexis Nihon Plaza
1500 Atwater Avenue
Montreal 216, Quebec, Canada
(514) 931-9131
Operates 160 fast food restaurants.

Steinberg Foods Limited
5600 Boyce Street
Montreal, Quebec
(514) 252-7411
Produces high quality bakery and delicatessen goods.

Phenix Flour Limited
3800 Notre-Dame East
Montreal, Quebec
(514) 527-8971

Ivanhoe Inc.
Alexis Nihon Plaza
1500 Atwater Avenue
Montreal, Quebec, Canada
(514) 931-9131
Engaged in ownership and development of shopping centres.

Transfer Agent(s):

Montreal Trust Company
Montreal, Halifax, Toronto, Winnipeg, Regina, Calgary & Vancouver, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: SBG

Number of Stores: (at fiscal year end)

	Supermarkets	Dept Stores
1979	218	34
1978	209	32
1977	206	31
1976	197	28
1975	196	28

Sales and Earnings*

	Net Sales † (000's)	Net Income (000's)
1979	$ 2,065,123	$ 27,191
1978	1,903,201	25,730
1977	1,754,076	21,895
1976 ×	1,594,285	21,266
1975 #	1,420,966	11,901

	No. of Com. Shares‡	Earn. per Share‡
1979	7,072,688	$3.83
1978	7,000,493	3.65
1977	6,974,043	3.10
1976	6,971,343	3.01
1975	6,960,531	1.66

* In Canadian dollars.
× 53 weeks.
‡ Based on Class A and Common Shares combined.
† Sales of retail and manufacturing companies.
# Restated to reflect change in accounting method.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1979	$0.86	—	—
1978	0.72	—	—
1977	0.66	—	—
1976	0.60	—	—
1975	0.60	—	—

Paid on Class A and common stock.

Common Stock Equity

	Total Equity‡	Equity Per Share‡‡
1979	$213,476,000	$30.18
1978	193,013,700	27.79

1977	172,077,000	24.67
1976	155,010,000	22.24
1975	138,041,000	19.83

‡ After allowing for 5¼% cumulative preferred stock and 2½% subordinated preferred stock at redemption values of $100 and $98 per share, respectively. And, in 1979, after allowing for second preferred stock at redemption value of $25.

‡‡ Based on Class A and common stock combined.

Income Account

Year ended	7/28/79	7/29/78
Net sales & oper. rev.	$2,082,710,000	$1,917,529,000
Cost of sales & expenses	1,658,615,000	1,530,280,000
Rentals	28,642,000	24,155,000
Officers' remuneration	2,456,000	2,376,000
Wages	308,466,000	278,265,000
Depreciation & amortization	25,463,000	23,161,000
Oper. profit	$ 59,068,000	$ 59,292,000
Other income	(6,103,000)	(4,748,000)
Interest expense	18,805,000	18,823,000
Income before taxes	$ 46,366,000	$ 45,217,000
Income taxes	18,616,000	18,937,000
Minority interest	559,000	550,000
Net Income	$ 27,191,000	$ 25,730,000

Assets

As of	7/28/79	7/29/78
Cash & invest.	$ 82,312,000	$ 44,041,000
Acct. receiv., net	14,268,000	12,652,000
Inc. taxes recov.	1,487,000	—
*Inventories	159,885,000	156,863,000
Prepaid expenses	12,970,000	11,500,000
Current Assets	$270,922,000	$225,056,000
#Fixed assets real estate	163,235,000	177,514,000
#Fixed assets retail & mfg	150,226,000	135,202,000
Intangibles	20,251,000	19,474,000
Other assets	31,338,000	13,209,000
Total Assets	$635,972,000	$570,455,000

Liabilities

Notes payable	$ 30,610,000	$ 10,111,000
Long-term debt, curr.	14,000	49,000
Accts. payable & accruals	135,232,000	130,572,000
Dividends payable	32,000	33,000
Income taxes	—	2,323,000
Curr. Liabilities	$165,888,000	$143,088,000
Long-term debt	160,600,000	206,929,000
Minority interest	3,309,000	2,950,000
Deferred inc. taxes	23,264,000	19,003,000
+ Series A, 5¼% preferred	2,436,000	2,473,000
+ + $1.95 second preferred	45,000,000	—
+ + var. rate second preferred	20,000,000	—
+ + + 2½% Subord. preferred	1,999,000	2,999,000
+ + + + Class A	22,032,000	6,545,000
+ + + + Common stock	12,176,000	1,500,000
Add. paid-in capital	259,000	10,742,000
Retained earnings	179,009,000	174,226,000
Total Liabilities & Shareholders' Equity	$635,972,000	$570,455,000

* At lower of cost and net realizable value.

# Less accumulated depreciation and amortization.

+ $100 par value.

+ + $25 par value.

+ + + $98 par value.

+ + + + No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.23	2.36
%Net Income to Sales	1.31	1.34
%Net Income to Equity	9.61	12.96
Working Capital	$105,034,000	$ 81,968,000
Current Ratio	1.63	1.57
Shareholders' Equity	$282,911,000	$198,485,000

Sterchi Bros. Stores, Inc.

114 South Gay Street
Knoxville, Tennessee 37902
(615) 523-4163

Officers: C.A. Terrell, chairman of the board, president & chief exec. officer; R.H. Beam, exec. v.p.-merchandise mgr.; ; E.L. Dover, Jr., v.p.-advertising; J.P. Childress, sr. vice president and secretary-chief financial officer; R.H. Dempster, Jr., treasurer; S.B. Cash, assistant treasurer and assistant secretary; K.B. Fowler, comptroller.

Directors: E.B. Copeland, R.H. Beam, Edwin C. Huster, Sam M. Browder, David M. Traver, James G. Sterchi III*, J.P. Childress*, C.A. Terrell*, James C. Talley II.

* Member of Executive Committee.

Business Activities: Operates home furnishing stores in Tennessee, Kentucky, North Carolina, South Carolina, Alabama, Georgia, Florida and Mississippi.

Tranfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange: New York

Ticker Symbol: SBI

Number of Stores: (at fiscal year end)

1980	74	1977	69
1979	73	1976	69
1978	71		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 48,154,431	$ 3,138,235
1979	45,229,860	2,794,104
1978	42,240,475	2,397,898
1977	35,814,584	1,707,646
1976	32,157,649	1,308,994

	No. of Com. Shares †	Earn. per Share †
1980	1,321,431	$2.37
1979	1,320,906	2.12
1978	1,320,085	1.82
1977	1,218,837	1.29
1976	1,319,386	0.99

+ Including sales of leased departments and carrying charges on installment sales contracts.

† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.68	—	—
1979	0.66	—	—
1978	0.56	—	—
1977	0.48	—	—
1976	0.48	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 23,694,416	$17.92
1979	21,453,677	16.24
1978	19,529,678	14.79
1977	17,862,744	13.54
1976	16,791,879	12.73

Income Account

Year ended	2/29/80	2/28/79
Net sales	$ 48,154,431	$ 45,229,860
Cost of sales	38,498,050	36,074,135
Expenses	930,094	989,212
Depreciation & amortization	531,536	451,016
Prov. for uncollectible accts.	1,853,696	1,504,204
Interest expense	1,073,823	877,219
Other income	(381,003)	(342,530)
Income before taxes	$ 5,648,235	$ 5,676,604
Income taxes	2,510,000	2,882,500
Net Income	$ 3,138,235	$ 2,794,104

Assets

As of	2/29/80	2/28/79
Cash	$ 1,548,525	$ 1,261,675
Accts. receiv., net	33,275,655	30,293,379
*Inventories	7,680,950	6,910,735
Prepaid expenses	222,755	368,945
Current Assets	$ 42,727,885	$ 38,834,734
#Fixed assets	3,752,392	3,263,804
Other assets	119,410	124,950
Total Assets	$ 46,599,687	$ 42,223,488

Liabilities

Notes payable	$ 3,500,000	$ 1,500,000
Long-term oblig. curr.	750,000	750,000
Cap. lease oblig. curr.	119,849	93,213
Accts. payable	1,702,567	1,560,237
Accruals	1,087,320	1,151,193
Dividends payable	224,467	184,841
Income taxes	8,566,000	8,239,000
Curr. Liabilities	$ 15,950,203	$ 13,478,484
Long-term debt	4,875,000	5,625,000
Deferred compensation	121,503	112,080
Long-term oblig. under cap. leases	1,958,565	1,544,247
+Common stock	1,321,950	1,321,950
Add. paid-in capital	821,021	821,021
Retained earnings	21,555,871	19,316,162
Treasery stock	(4,426)	(5,456)
Total Liabilities & Shareholders' Equity	$ 46,599,687	$ 42,223,488

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.73	12.55
%Net Income to Sales	6.52	6.18
%Net Income to Equity	13.24	13.02
Sales to Inventories	6.27	6.54
Working Capital	$ 26,777,682	$ 25,356,250
Current Ratio	2.68	2.88
Shareholders' Equity	$ 23,694,416	$ 21,453,677

Sterling Stores Company, Inc.

6500 Forbing Road
Little Rock, Arkansas 72209
(501) 568-1371

Mailing address:

P.O. Box 2301
Little Rock, Arkansas 72203

Officers: Arnold L. Mayersohn, chairman of the board; Dave Grundfest, Jr., president & chief exec. officer; Stanley M. Bauman, Jr., v.p.-merchandising; Sam B. Strauss, Jr., v.p.-divisional merch. mgr.-softlines; Albert F. Colgrove, v.p.-marketing; G. Wayne Jaques, v.p.-store operations; Alan M. Long, v.p.-divisional merch. mgr., hard lines; Bill Rudkin, v.p.-systems; Larry Stoelzing, v.p.-real estate; Grant W. Woolever, v.p.-distribution; Robert W. Jewell, secretary-treasurer.

Directors: Arnold L. Mayersohn, Dave Grundfest, Jr., Edwin H. Mendel, Stanley M. Bauman, Jr., Loris G. Birnkrant, Frank Lyon, A. Dan Phillips, Joseph M. Tenenbaum.

Business Activities: Operates Magic Mart Discount Department Stores, Sterling Variety Stores, Sterling Family Centers, and Sterling Junior Department Stores in Arkansas, Texas, Mississippi, Missouri, Tennessee and Louisiana.

Divisions & Subsidiaries:

Magic Mart Discount Department Stores
Sterling Variety Stores
Sterling Junior Deapartment Stores
Sterling Family Centers.

Transfer Agent(s):

First National Bank of Chicago
One First National Plaza
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STRS (NASDAQ)

Number of Stores: (at fiscal year end)

1979	97	1976	119
1978	105	1975	124
1977	104		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$112,193,543	$ 16,359
1978*	101,833,507	1,495,697
1977	90,240,327	1,200,958
1976	83,828,023	1,576,358
1975*	74,695,266	1,376,574

	No. of Com. Shares	Earn. per Share ‡
1979	1,050,000	$ —
1978	1,050,000	1.41
1977	1,050,000	1.13
1976	1,050,000	1.48
1975*	1,050,000	1.29

* 53 weeks.
‡ Including extraordinary gain of $80,000 ($0.07 per share) in 1975.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.21	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	0.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1979	$ 18,462,287	$17.59
19[illegible]	18,683,928	17.80
19[illegible]	17,954,948	17.11
1976	16,981,490	16.18
1975	15,632,632	14.89

‡ After allowing for preferred stock callable at $25.50 per share.

Income Account*

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$112,193,543	$101,833,507
Other income	1,298,201	1,128,896
Total income	$113,491,744	$102,962,403
Cost of sales	83,723,589	72,800,321
Expenses	2[illegible],576,092	26,653,381
Interest expense	1,565,756	1,1[illegible]8,004
Income (loss) before taxes	$ (1,373,693)	$ 2,340,697
Income taxes (credit)	(800,000)	845,000
Net Income	$ 16,359	$ 1,495,697

* Included in Costs and Expenses, Depreciation and Amortization: $1,753,118 in 1979 and $1,526,642 in 1978.

Assets

As of	2/2/80	2/3/79
Cash	$ 408,354	$ 701,940
Accts. receiv., net	1,117,270	968,380
*Inventories	24,169,972	23,119,962
Prepaid expense	88,752	112,015
Refund inc. taxes	1,408,667	—
Current Assets	$ 27,193,015	$ 24,902,297
≠Fixed assets	13,398,883	12,512,550
Other assets	251,592	134,152
Total Assets	$ 40,843,490	$ 37,548,999

Liabilities

Notes payable	$ 4,500,000	$ —
Long-term debt, curr.	700,619	399,678
Cap. lease oblig. curr.	163,812	148,332
Accts. payable	4,666,473	5,308,737
Accruals	680,515	706,649
Accrued payroll	1,123,400	1,296,981
Accrued payroll taxes	299,823	226,299
Income taxes	—	52,305
Curr. Liabilities	$ 12,134,642	$ 8,138,981
Long-term debt:		
8.50% Notes	1,750,000	2,000,000
9.625% Notes	2,700,000	3,000,000
Bank Notes	1,200,000	1,400,000
Other Notes	3,125,934	2,700,184
Cap. lease oblig.	1,113,637	1,268,906
+ Preferred stock	350,000	350,000
+ + Common stock	1,050,000	1,050,000
Retained earnings	17,419,287	17,640,928
Total Liabilities & Shareholders' Equity	$ 40,843,490	$ 37,548,999

* At cost (LIFO).
≠ Less accumulated depreciation.
+ No par value; $1.25 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.30
%Net Income to Sales	—	1.47
%Net Income to Equity	—	7.86
Sales to Inventories	4.64	4.40
Working Capital	$ 15,058,373	$ 16,763,316
Current Ratio	2.24	3.06
Shareholders' Equity	$ 18,819,287	$ 19,040,928

The Stop & Shop Companies, Inc.

P.O. Box 369
Boston, Massachusetts 02101
(617) 463-7000

Officers: Sidney R. Rabb, chairman of the board; Irving W. Rabb, vice chairmen of the board and chairman of the executive committee; Avram J. Goldberg, president and chief executive officer; Albert S. Frager, sr. v.p., treasurer & chief financial officer; Frank A. Crowley, v.p.-real estate; Carol R. Goldberg, Robert J. Levin, Anthony DiNardo, sr. v.p.'s; J. David Fine, v.p.-labor relations; Bernard Solomon, v.p.-civic, government & community affairs; Richard F. Spears, v.p.; Ellen Zawel Dubin, v.p.-external affairs; Samuel W. W. Mandell, v.p.-law; Daniel Donegan, v.p.-distribution; Louis P. Steinberg, v.p.-marketing services; Harold E. Fine, v.p.-engineering and construction; Arthur S. Robbins, v.p.-accounting & asst. treasurer; Joseph D. McGlinchey, v.p. & controller; William Vaughn, III, v.p.-employee relations; J.E. Freeman, v.p.-corp. personnel; Donald J. Comeau, v.p.-personnel Supermarket Company; Sidney L. Goldstein, v.p. & asst. to the pres.; John J. Laurendeau, v.p. & gen. mgr., Combination Stores; Rufus E. Lester, v.p.-technical affairs; Daniel Corcoran, v.p.-personnel, Medi Mart; Richard D. Goldstein, v.p.-personnel, Bradlees; J. James Kisthardt, v.p.-Info. Systems Div.; Lee Nathanson, v.p.-financial management & administration, Medi Mart; Robert P. Wentworth, v.p.-personnel, Manufacturing Company.

Directors: Norman L. Cahners, Clifton B. Cox, Julian I. Edison, Avram J. Goldberg*, Irving W. Rabb*, Norman S. Rabb, Sidney R. Rabb*, Lloyd D. Tarlin, William W. Wolbach, Albert S. Frager, Carol R. Goldberg, William F. Pounds, Robert J. Levin.

* Member of Executive Committee

Business Activities: Operates Stop & Shop supermarkets, Bradlees self-service department stores; drug stores under the name of Medi Mart. Also operates the Charles B. Perkins Tobacco Shops and Off the Rax women's specialty stores. Manufacturing division operates the following facilities: bakery, dairy, coffee, meat processing, cheese packaging and commissary.

Divisions & Subsidiaries:

Bradlees Department Store Company
1 Bradlee Circle
Braintree, Massachusetts 02184
(617) 463-5391

Medi Mart Drug Store Company
393 D Street
Boston, Massachusetts 02210
(617) 463-7651

Charles B. Perkins Tobacco Shops
E. L. Nason Co. Inc.
Fargo Potato Company
Off the Rax specialty stores

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Boston

Ticker Symbol: SHP

Number of Stores: (at fiscal year end)

	Food	Dept.	Drug
1980	150	83	45
1979	157	76	44
1978	159	74	40
1977	157	75	35
1976	157	69	31

	Tobacco	Women's Specialty Stores
1980	48	25
1979	47	12
1978	48	—
1977	48	—
1976	44	—

Sales and Earnings

	Net Sales	Net Income
1980	$1,878,864,000	$ 14,948,000
1979*	1,762,144,000	16,021,000
1978	1,611,569,000	11,788,000
1977	1,474,872,000	10,874,000
1976	1,359,776,000	14,019,000

	No. of Com. Shares +	Earn. per Share # +
1980	4,046,000	$3.70
1979	4,017,000	4.00
1978	3,982,000	2.97
1977	3,966,000	2.75
1976	3,944,000	3.56

* 53 weeks.
# Based on the weighted average number of common shares outstanding.
+ Adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.175	—	—
1979	1.05	—	—
1978	1.00	—	—
1977	1.00	—	—
1976	0.84	—	5-for-4

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$127,798,000	$31.59
1979	117,267,000	29.19
1978	105,054,000	26.38
1977	97,052,000	24.47
1976	89,888,000	22.79

+ Adjusted to reflect stock split.

Income Account
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 1,878,864	$ 1,762,144
Cost of sales	1,457,831	1,363,896
Expenses	357,656	331,966
Depreciation & amortization	19,885	18,688
Amort. of prop under cap. leases	5,975	5,528
Interest expense	14,561	14,389
Income before taxes	$ 22,956	$ 27,677
Income taxes	8,008	11,656
Net Income	$ 14,948	$ 16,021

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 6,724	$ 8,050
Marketable securities	4,947	21,378
Accts. receiv., net	13,703	11,811
*Inventories	187,203	172,395
Prepaid expenses	3,957	3,795
Current Assets	$ 216,534	$ 217,429
# Fixed assets	154,544	146,465
Cap. lease oblig.	68,544	68,345
Other assets	7,357	3,735
Total Assets	$ 446,979	$ 435,974

Liabilities
(000's)

Long-term debt, curr.	$ 4,947	$ 5,073
Cap. lease oblig., curr.	3,802	3,294
Accts. payable	99,852	91,741
Accruals	25,972	25,480
Income taxes	2,652	6,339
Curr. Liabilities	$ 137,225	$ 131,927
Long-term debt	101,621	108,528
Deferred credit	9,610	7,630
Oblig. under cap. lease	70,725	70,622
+ Common stock	4,122	4,092
Add. paid-in capital	16,157	15,860
Retained earnings	108,826	98,622
Treasury stock	(1,307)	(1,307)
Total Liabilities & Shareholders' Equity	$ 446,979	$ 435,974

* At lower of cost (FIFO) or market. Supermarket grocery and Bradlees Dept. Stores at LIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.22	1.57
%Net Income to Sales	0.80	0.91
%Net Income to Equity	11.70	13.66
Sales to Inventories	10.04	10.22
Working Capital	$ 79,309,000	$ 85,502,000
Current Ratio	1.58	1.65
Shareholders' Equity	$127,798,000	$117,267,000

Strawbridge & Clothier

801 Market Street
Philadelphia, Pennsylvania 19105
(215) 629-6000

Officers: Randall E. Copeland, chairman of the board & chief exec. officer; Peter S. Strawbridge, president & chief operating officer; G. Stockton Strawbridge, chairman of the exec. comm.; Winthrop deV. Schwab, vice chairman of the board & chief financial officer; James M. Gassaway, exec. v.p.-planning, development & research; Richard H. Hall, exec. v.p.-control, operations & personnel divs.; Warren W. White, exec. v.p. & general mgr.-Clover Div.; Francis R. Strawbridge III, v.p., treasurer & secretary; David W. Strawbridge, v.p.-personnel; Robert G. Muskas, v.p.-branch stores; William A. Timmons, v.p.-sales promotion; George L. Compton, v.p. & general merch. mgr.; Thomas S. Rittenhouse, v.p. & controller; John J. Leahy, v.p. & general superintendent; Natalie B. Weintraub, v.p. & general merchandise manager; Finley H. Haiman, v.p. & general merchandise manager; William A. Rittmayer, v.p.-control & operations, Clover Div.; G. Leonard Shea, v.p.-personnel, Clover Div.; Louis F. Busico, v.p. & general merchandise manager, Clover Div.

Directors: G. Stockton Strawbridge, Randall E. Copeland, Frank R. Veale, Winthrop deV. Schwab, James M. Gassaway, Francis R. Strawbridge III, Peter S. Strawbridge, Robert E. Strawbridge III, David W. Strawbridge, Isaac H. Clothier IV, Steven L. Strawbridge.

Business Activities: Operates department stores in Philadelphia, Montgomery County, Delaware County, Bucks County & Chester County, Pennsylvania; New Castle County, Delaware; Camden County, New Jersey. Operates low margin convenience stores of 75,000 to 100,000 sq. ft. under the name Clover in Camden County & Burlington County, New Jersey; Bucks County, Montgomery County, Delaware County & Philadelphia County, Pennsylvania.

Transfer Agent(s):

Girard Trust Bank (preferred stock)
Philadelphia, Pennsylvania 19101

The Philadelphia National Bank (common stock)
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STRW (NASDAQ)

Number of Stores: (at fiscal year end)

1980	24	1977	18
1979	29	1976	17
1978	20		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$367,227,391	$ 10,728,431
1979*	335,643,002	11,202,000
1978	280,307,462	10,063,000
1977	253,838,137	8,317,000
1976	239,828,887	8,729,000

	No. of Com. Shares	Earn. per Share †
1980	1,867,012	$5.37
1979	1,793,345	5.60
1978	1,707,948	5.02
1977	1,626,618	4.12
1976	1,520,204	4.32

* 53 weeks.
‡ Includes leased department sales.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.32	5% × 5%‡	—
1979	1.25	5%	—
1978	1.11	5%	—
1977	1.05	5%	—
1976	0.92	5%	—

+ Adjusted to reflect stock dividends.
‡ Declared April 2, 1980.

Common Stock Equity

	Total Equity +	Equity Per Share †
1980	$113,519,216	$57.91
1979	105,904,000	53.59
1978	97,302,000	49.23
1977	89,569,000	45.32
1976	83,440,000	42.22

+ After allowing for preferred stock at par value.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$367,227,391	$335,643,002
Other income	112,977	121,698
Total income	$367,340,368	$335,764,700
Cost of sales	264,306,568	239,253,222
Expenses	64,785,750	60,595,202
Depreciation	7,487,418	6,414,932
Pension cost	2,872,963	2,514,138
Interest expense	7,659,238	5,619,401
Income before taxes	$ 20,228,431	$ 21,367,805
Income taxes	9,500,000	10,166,000
Net Income	$ 10,728,431	$ 11,201,805

Assets

As of	2/2/80	2/3/79
Cash	$ 1,879,197	$ 2,406,558
Accts. receiv., net	80,062,016	71,079,431
*Inventories	43,212,481	40,894,621
Prepaid expenses	4,678,899	4,884,564
Current Assets	$129,832,593	$119,265,174
# Fixed assets	123,841,836	116,174,416
Other assets	1,398,452	1,064,196
Total Assets	$255,072,881	$236,503,786

Strawbridge & Clothier

Liabilities

Notes payable	$ 3,000,000	$ 5,500,000
Long-term debt, curr.	1,274,982	1,107,432
Cap. lease oblig., curr.	997,224	922,105
Accounts payable	22,656,545	18,341,258
Accruals	1,941,208	1,844,917
Deferred payroll	1,277,652	1,113,963
Deferred taxes	12,842,787	11,491,016
Other taxes	6,242,621	4,571,120
Curr. Liabilities	$ 50,233,019	$ 44,891,811
Long-term debt	36,408,413	39,679,982
Capt. lease oblig.	44,566,908	35,658,165
Other liab.	7,973,525	7,760,704
+ Preferred stock	2,371,800	2,608,800
+ + Common stock	9,415,060	8,966,725
Add. paid-in capital	34,469,512	32,300,740
Retained earnings	70,033,684	64,636,859
Treasury stock	(399,040)	
Total Liabilities & Shareholders' Equity	$255,072,881	$236,503,786

* At cost (LIFO method).
# Less accumulated depreciation.
+ $100 par value, $5 cumulative.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.51	6.37
%Net Income to Sales	2.92	3.34
%Net Income to Equity	9.45	10.58
Sales to Inventories	8.50	8.21
Working Capital	$ 79,599,574	$ 74,373,363
Current Ratio	2.58	2.66
Shareholders' Equity	$113,519,216	$105,904,324

Sunshine-Jr. Stores, Inc.

Box 2498
Panama City, Florida 32401
(904) 769-1661

Officers: L. D. Lewis, chairman of the board; James E. Lewis, Jr., president; Lana Jane Brent, senior vice president; Norman O. Griffin, vice president & secretary; Harold C. Pope, treasurer.

Directors: L. D. Lewis, James E. Lewis, Jr., Harold C. Pope, Norman O. Griffin, Lana Jane Brent, A. H. Lisenby, Ernest Collins, Buford F. Ennis.

Business Activities: Owns and operates convenience food stores and supermarkets in northern Florida, Alabama, Georgia, Mississippi and Louisiana.

Divisions:

Jr. Food Stores Division
Panama City, Florida 32401
(904) 769-1661

Sunshine Supermarket Division
Panama City, Florida 32401
(904) 769-1661

Transfer Agent(s):

Mercantile Trust Company N.A.
St. Louis, Missouri 63166

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: SJS

Number of Stores: (at fiscal year end)

1979	336	1976	268
1978	316	1975	243
1977	288		

Sales and Earnings

	Net Sales	Net Income
1979	$120,071,813	$ 2,399,610
1978	93,552,762	1,621,627
1977	81,224,737	1,431,745
1976	68,899,353	1,386,608
1975	58,047,701	1,297,549

	No. of Com. Shares ‡	Earn. per Share ‡
1979	1,701,650	$1.41
1978	1,701,650	0.95
1977	1,701,650	0.84
1976	1,701,650	0.81
1975	1,702,361	0.76

‡ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Revenues by Line of Business

	1979	1978
Convenience stores	$102,386,360	$ 78,656,944
Supermarkets	17,685,453	14,895,818
Total	$120,071,813	$ 93,552,762

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1979	$0.30	25%†	
1978	0.26	—	
1977	0.22	—	
1976	0.17	—	
1975	0.15	10% +	

‡ Adjusted to reflect stock dividends.
† Declared Feb., 1980.
+ Declared Feb. 1976.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 13,896,662	$8.17
1978	12,016,181	7.06
1977	10,830,225	6.36
1976	9,779,691	5.75
1975	8,688,070	5.10

Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$120,071,813	$ 93,552,762
Cost of sales	93,726,737	72,161,924
Expenses	22,793,597	18,864,688
Other income	(862,753)	(405,022)
Income before taxes	$ 4,414,232	$ 2,931,172
Income taxes	2,014,622	1,309,545
Net Income	$ 2,399,610	$ 1,621,627

* Included in Costs and Expenses, Depreciation and Amortization: $1,029,857 in 1979 and $877,872 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 2,294,530	$ 1,261,462
Cert. of deposit	251,400	101,400
Accts. receiv., net	428,361	288,971
Mortg. receiv.	4,773	3,032
*Inventories	8,607,593	7,961,637
Prepaid expenses	89,325	61,591
Current Assets	$ 11,675,982	$ 9,678,093
#Fixed assets	8,749,505	7,517,503
Other assets	40,416	36,847
Total Assets	$ 20,465,903	$ 17,232,443

Liabilities

Long-term debt, curr.	$ 29,709	$ 28,281
Accts. payable	4,376,544	3,415,724
Accrued payroll	514,153	392,506
Income taxes	440,285	214,525
Local taxes	290,002	277,919
Curr. Liabilities	$ 5,650,693	$ 4,328,955
Deferred credits	453,534	392,584
Cap. lease oblig.	465,014	494,723
+ Common stock	170,165	136,147
Add. paid-in capital	5,124,245	5,124,245
Retained earnings	8,602,252	6,755,789
Total Liabilities & Shareholders' Equity	$ 20,465,903	$ 17,232,443

* At average cost, not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.68	3.13
%Net Income to Sales	2.00	1.73
%Net Income to Equity	17.27	13.50
Sales to Inventories	13.95	11.75
Working Capital	$ 6,025,289	$ 5,349,138
Current Ratio	2.07	2.24
Shareholders' Equity	$ 13,896,662	$ 12,016,181

Super Dollar Stores, Inc.

3401 Greshams Lake Road
Post Office Box 17800
Raleigh, North Carolina 27619
(919) 876-6000

Officers: Leon M. Melvin, president & treasurer; W. Harold Mitchell, secretary.

Directors: Leon M. Melvin, chairman; Thomas V. Bumbarger, W. Harold Mitchell, R. Earl Parnell, Athos Rostan.

Business Activities: Operates a chain of discount stores which feature a broad line of budget-to-popular priced merchandise including: apparel, housewares, domestics, health and beauty aids, shoes, hardware, toys and automotive items.

Acquisition(s):

O'Bryan Wholesale Co., Inc.
Six subsidiary companies of G.D. Reddick, Inc.
Discount retail chains.

Transfer Agent(s):

North Carolina National Bank
Charlotte, North Carolina 28201

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SDOL (NASDAQ)

Number of Stores: (at fiscal year end)

1980	143	1977	122
1979	142	1976	98
1978	131		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 45,632,728	$ 618,343
1979	43,752,217	1,225,921
1978	33,116,977	1,015,368
1977	26,411,971	826,992
1976	18,804,210	412,978

	No. of Com. Shares ‡	Earn. per Share ‡†
1980	861,117	$0.72
1979	840,495	1.46
1978	817,552	1.25
1977	817,100	1.01
1976	846,517	0.49

† Including extraordinary gains of $45,000 ($0.05 per share) in 1979 and $64,000 ($0.08 per share) in 1978.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.20	—	4-for-3
1979	0.15	—	—
1978	0.15	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,300,428	$7.32
1979	5,702,631	6.78
1978	4,584,766	5.61
1977	3,710,610	4.54
1976	2,940,425	3.47

‡ Adjusted to reflect stock split.

Income Account*

Year ended	2/2/80	2/3/79
Net sales	$ 45,632,728	$ 43,752,217
Cost of sales & expenses	44,024,028	41,305,108
Interest expense	593,857	473,888
Income before taxes	$ 1,014,843	$ 1,973,221
Income taxes	396,500	792,300
Net Income	$ 618,343	$ 1,180,921
Extraord. gain		45,000
Net Income & extraord. gain	$ 618,343	$ 1,225,921

* Included in Costs and Expenses. Depreciation and Amortization: $459,506 in 1980 and $335,762 in 1979.

Assets

As of	2/2/80	2/3/79
Cash	$ 944,188	$ 1,009,375
*Inventories	12,339,978	11,499,259
Refundable inc. taxes	219,767	—
Other assets	467,973	341,370
Current Assets	$ 13,971,906	$ 12,850,004
# Fixed assets	3,226,655	3,005,473
Total Assets	$ 17,198,561	$ 15,855,477

Liabilities

Notes payable	$ 2,000,000	$ —
Long-term debt, curr.	172,430	171,302
Accts. payable	4,023,240	5,022,162
Accruals	397,368	397,877
Dividends payable	43,310	—
Income taxes	—	180,020
Current Liabilities	$ 6,636,348	$ 5,771,361
Long-term debt	4,057,485	4,213,185
Deferred inc. taxes	204,300	168,300
+ Common stock	866,416	647,937
Add. paid-in capital	333,009	530,121
Retained Earnings	5,102,436	4,656,956
Treasury Stock	(1,433)	(132,383)
Total Liabilities & Shareholders' Equity	$ 17,198,561	$ 15,855,477

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.22	4.51
%Net Income to Sales	1.36	2.70
%Net Income to Equity	9.81	20.71
Sales to Inventories	3.70	3.80
Working Capital	7,335,558	$ 7,078,643
Current Ratio	2.11	2.23
Shareholders' Equity	$ 6,300,428	$ 5,702,631

Super Stores, Inc.

1310 Telegraph Road
Prichard, Alabama 36610
(205) 457-9551

Mailing address:

P.O. Box 3202
Mobile, Alabama 36601

Officers: Richard L. Reiner, president & treasurer; Jean Hall, secretary.

Directors; Richard L. Reiner, Jean Hall, Robert Wagner, Selwyn Turner, Jr., Raymond Hirsch, Peter Van Oosterhout.

Business Activities: Primarily engaged in operating a chain of retail general merchandise stores in Alabama, Mississippi, Florida and Louisiana and ladies sportswear shops in Alabama.

Transfer Agent(s):

First National Bank of Mobile
Mobile, Alabama

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	7	1976	14
1978	12	1975	14
1977	13		

Sales and Earnings

	Net Sales	Net Income
1979	$ 4,386,828	$ (289,430)
1978	4,564,795	17,049
1977	4,294,915	26,657
1976	4,380,668	101,014
1975	3,688,441	(53,862)

	No. of Com. Shares	Earn. per Share #
1979	381,254	$ —
1978	381,254	0.04
1977	381,254	0.07
1976	381,254	0.24
1975	381,851	—

( ) Loss
Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 400,379	$1.05
1978	708,669	1.86
1977	696,551	1.83
1976	662,894	1.74
1975	497,356	1.30

Income Account *

Year ended June 30	1979	1978
Net sales	$ 4,386,828	$ 4,564,795
Cost of sales	2,817,425	2,897,205
Expenses	1,607,492	1,598,084
Oper. profit (loss)	$ (38,089)	$ 69,506
Other income	(28,976)	(27,804)
Interest expense	83,991	65,131
Rental expense	6,326	7,380
Income (loss) before taxes	$ (289,430)	$ 24,799
Income taxes	—	7,750
Net Income (Loss)	$ (289,430)	$ 17,049

* Included in Costs and Expenses. Depreciation: $80,690 in 1979 and $71,457 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 3,974	$ 46,937
Notes & accts. receiv.	63,219	59,437
* Inventories	1,289,065	1,549,420
Prepaid expenses	24,284	40,878
Assets held for sale	22,599	—
Current Assets	$ 1,403,141	$ 1,696,672
# Fixed assets	620,973	713,913
Other assets	48,225	44,739
Total Assets	$ 2,072,339	$ 2,455,324

Liabilities

Notes payable	$ 305,010	$ 520,010
Long-term debt. curr.	95,371	58,650
Accts. payable	454,099	369,763
Accruals	39,899	34,819
Accrued payroll	36,473	37,462
Curr. Liabilities	$ 930,852	$ 1,020,704
Long-term debt:		
Conv. subord. debt	319,024	351,335
Other debt	309,759	374,616
Disposal costs	112,325	—
+ Common stock	43,761	43,761
Add. paid-in capital	458,800	458,800
Retained earnings (deficit)	(50,430)	257,860
Treasury stock	(51,752)	(51,752)
Total Liabilities & Shareholders' Equity	$ 2,072,339	$ 2,455,324

* At lower of cost or market determined by retail inventory method.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.54
%Net Income to Sales	—	0.37
%Net Income to Equity	—	2.41
Sales to Inventories	3.40	2.95
Working Capital	$ 472,289	$ 675,968
Current Ratio	1.51	1.66
Shareholders' equity	$ 400,379	$ 708,669

Super Valu Stores, Inc.

101 Jefferson Avenue South
Hopkins, Minnesota 55343
(612) 932-4444

Officers: Jack J. Crocker, chairman of the board & chief exec. officer; Michael W. Wright, president & chief operating officer; John E. Morrissey, sr. v.p.-distribution; James L. Slovick, sr. v.p.-finance & treasurer; John B.

Super Valu Stores, Inc.

Ferris, sr. v.p. & controller; William S. Bailey, v.p. & pres.-County Seat Stores; Thomas L. Dekko, v.p.-sales; Charles D. Dugan, Jr., v.p.-legal & secretary; Robert R. Hosokawa, v.p.-corp. relations; Lowell J. Janke, group v.p. & pres.-Minneapolis Div.; Sumner I. Goldman, v.p.-merchandising; Lloyd Stenbeck, v.p.-store planning & engineering; Gene D. Hoffman, v.p. & pres., Wholesale Food Companies; John J. Prior, v.p.-labor relations; William J. Tyrrell, v.p.; O. Rawley Thomas, asst. treasurer; William C. Hunt, asst. secretary.

Directors: Morris Lewis, Jr., Jack J. Crocker, George W. McKay, James P. McFarland, James T. Wyman, James H. Ruben, James L. Slovic[illegible] Albert R. Whitman, William S. Bailey, John E. Morris[illegible] Michael W. Wright, Arnold R. Weber, Fredric H. Co[illegible]an, Harriet Perlmutter.

Business Activities: Engaged principally in the supplying and servicing of retail food stores in 26 states from twelve distribution centers. Independent retailers own and operate 1,859 of the retail food stores and the Company owns all or a majority interest of the remaining 97 stores. Most of the stores operate under one of the Super Valu licensed or sub-licensed names: Super Valu, IGA, Sure Save, U-Save, Disco, Super Dollar, Sunflower, Banner and Mr. Quik. The Company also owns and operates the ShopKo group of 27 general merchandise discount stores and the 229 unit County Seat group of leisure wear apparel stores. Other operations include Preferred Products, a food processing and packaging operation; Planmark, provides engineering and architectural services for supermarkets, retail stores, shopping centers and wholesale distribution facilities; Studio 70, an interior design studio; and Risk Planners, Inc., an insurance agency.

Divisions & Subsidiaries:

Bismarck Division
707 Airport Road
P.O. Box 1397
Bismarck, North Dakota 58501
(701) 222-5600

Des Moines Division
3900 N.W. 106th Street
Des Moines, Iowa 50322
(515) 278-0211

Ryans Division
711 Central Avenue
Billings, Montana 59107

Green Bay Division
451 Joannes Avenue
P.O. Box 820
Green Bay, Wisconsin 45305
(414) 437-3221

Fargo Division
3501 12th Avenue North
Fargo, North Dakota 58102

Ohio Valley Division
1003 Bellbrook Avenue
Xenia, Ohio 45385
(513) 376-9441

Anniston Division
Roberts Drive, Industrial Park
P.O. Box 430
Anniston, Alabama 36202
(205) 831-1840

Plainfield Distribution Center
U.S. Route 30 & 143rd Street
Plainfield, Illinois 60544
(815) 436-4400

Food Marketing Corporation Division
4815 Executive Boulevard
Interstate Industrial Park
Fort Wayne, Indiana 46801
(219) 483-2146

J.M. Jones Company
2611 N. Lincoln Avenue
Urbana, Illinois 61801
(217) 384-2800

The Lewis Grocer Co.
P.O. Box 670
Indianola, Mississippi 38751
(601) 887-3211

ShopKo Stores, Inc.
2800 South Ashland
P.O. Box 3650
Green Bay, Wisconsin 54304
(414) 497-2211

Preferred Products, Inc.
312 Lake Hazeltine Drive
Chaska, Minnesota 55318
(612) 448-5252

County Seat Stores, Inc.
8816-70th Avenue, North
Brooklyn Park, Minnesota 55428
(612) 536-2000

Risk Planners, Inc.
3601 Park Center Boulevard
St. Louis Park, Minnesota 55416
(612) 925-5511

Minneapolis Division
101 Jefferson Avenue South
Hopkins, Minnesota 55343
(612) 932-4444

Studio 70
145 Washington Avenue South
Hopkins, Minnesota 55343
(612) 932-4444

Charley Brothers Company
P.O. Box 700
Greensburg, Pennsylvania 15601
(412) 837-6000

Planmark
121 Washington Avenue So.
Hopkins, Minnesota 55343

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota 55440

Morgan Guaranty Trust Company of New York
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SVU

Number of Stores: (at fiscal year end)

	Food Stores	Dept Stores	Apparel Stores
1980	97	27	229
1979	107	24	220
1978	107	21	193
1977	103	19	160
1976	111	19	78

Sales and Earnings

	Net Sales	Net Income
2/23/80	$3,475,193,000	$ 45,343,000
2/24/79	3,033,008,000	36,926,000
2/25/78	2,593,501,000	30,106,000
2/26/77	2,133,549,000	21,836,000
2/28/76*	1,821,244,000	13,960,000

	No. of Com. Shares ‡	Earn. per Share ≠
2/23/80	18,173,000	$1.30
2/24/79	18,102,000	1.22
2/25/78	17,884,000	1.16
2/26/77	17,844,000	1.02
2/28/76*	17,772,000	0.77

* 53 weeks.
≠ Based on weighted average number of shares outstanding adjusted to reflect stock splits.
‡ Adjusted to reflect stock splits.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Food store & institutional food operations	$3,101,213	89.2%	$2,733,073	90.1%
Retail general merchandise oper.	373,980	10.8	299,935	9.9
Total	$3,475,193	100.0%	$3,033,008	100.0%

Common Stock

	Cash Dividend ≠	Stock Dividend	Stock Split
2/23/80	$0.63	—	—
2/24/79	0.5125	—	2-for-1‡
2/25/78	0.405	—	—
2/26/77	0.31625	—	2-for-1‡
2/28/76	0.2625	—	—

‡ In the form of a 100% stock dividend.
≠ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ≠
2/23/80	$188,520,000	$10.37
2/24/79	153,573,000	8.48
2/25/78	124,440,000	6.96
2/26/77	101,290,000	5.68
2/28/76	84,576,000	4.76

≠ Adjusted to reflect stock splits.

Income Account*
(000's)

Year ended	2/23/80	2/24/79
Net sales	$ 3,475,193	$ 3,033,008
Cost of sales	3,198,160	2,795,751
Expense	185,552	160,680
Interest & other debt expense	8,565	7,622
Income before taxes	$ 82,916	$ 68,955
Income taxes	38,686	32,869
Minority interest	(1,113)	(840)
Net Income	$ 45,343	$ 36,926

* Included in Costs and Expenses, Depreciation and Amortization: $24,320,000 in 1980 and $20,016,000 in 1979.

Assets
(000's)

As of	2/23/80	2/24/79
Cash	$ 42,464	$ 20,170
Receiv., net	46,236	35,972
*Inventories	201,463	179,311
Supplies & prepaid expense	3,704	2,851
Deferred inc. taxes	3,275	2,753
Current Assets	$ 297,142	$ 241,057
Investments & Advances	7,012	5,347
Deferred inc. taxes	2,007	3,655
≠ Fixed assets	217,138	177,667
Other assets & defer. charges	10,766	7,330
Total Assets	$ 534,065	$ 435,056

Liabilities
(000's)

	2/23/80	2/24/79
Long-term debt, curr.	$ 262	$ 95
Capital lease oblig., curr.	3,323	3,530
Accts. payable	163,690	125,765
Due to Ryans, Inc. stockholders	10,183	—

Accrued compensation	6,358	5,495
Retire. plan contrib.	5,542	4,200
Dividends payable	2,998	2,443
Income taxes	8,245	5,954
Other taxes	6,710	5,408
Other liabilities	23,973	30,136
Curr. Liabilities	$ 231,284	$ 183,026
Long-term debt	68,797	46,874
Oblig. under capital leases	44,117	50,686
Other liabilities	1,347	897
+Common stock	18,173	18,103
Add. paid-in capital	8,989	8,027
Retained earnings	161,358	127,443
Total Liabilities & Shareholders' Equity	$ 534,065	$ 435,056

* At lower of cost (majority at LIFO; remainder at FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1.00 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.39	2.27
%Net Income to Sales	1.30	1.22
%Net Income to Equity	24.05	24.04
Sales to Inventories	17.25	16.91
Working Capital	$ 65,858,000	$ 58,031,000
Current Ratio	1.28	1.32
Shareholders' Equity	$188,520,000	$153,573,000

Supermarkets General Corporation

301 Blair Road
Woodbridge, New Jersey 07095
(201) 499-3000

Officers: Alex Aidekman, chairman of the board; Herbert Brody, president, vice chairman & chairman of the exec. committee; Leonard Lieberman, sr. v.p. & exec. asst. to the pres.; Stanley Abramson, Bernard Paroly, sr. v.p.'s; James D. Dougherty, v.p., secretary & general counsel; William R. H. Martin, v.p. & treasurer; Murray Levine, v.p. & corporate controller; Jerome Katcher, v.p.-technical services; Arnold J. Pearl, v.p.-real estate & store development.

Directors: Alex Aidekman, J. Kenneth Boyles, Herbert Brody, Leonard Lieberman, Raymond J. Petersen, Stanley Abramson, Harvey M. Krueger, Fred R. Sullivan, Bernard Paroly, Claudine Malone, Robert I. Smith, Norman M. Hinerfield.

Business Activities: Operates a chain of supermarkets under the Pathmark name in New York, New Jersey, Connecticut, Delaware and Pennsylvania; free standing drug stores in New York and New Jersey; department stores and specialty shops in New York, New Jersey, Connecticut, New Hampshire, Maryland and Massachusetts under the names Steinbach, Howland and Hochschild, Kohn; Rickel Home Centers in New Jersey, New York and Pennsylvania selling such items as lumber, plumbing fixtures, garden tools and supplies and other household items.

Division(s):

Pathmark Division
Rickel Division
Department Stores Division
  Hochschild, Kohn
  Howland-Steinbach

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: SGL

Number of Stores: (at fiscal year end)

	Super-mkts.	Drug Stores & Depts.
1980	114	102
1979	109	97
1978	105	92
1977	101	87
1976	102	84

	Dept. Home Centers	Specialty Stores
1980	26	36
1979	25	36
1978	20	40
1977	19	38
1976	16	37

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 2,372,574	$ 23,460
1979*	2,061,873	20,637
1978	1,723,946	14,852
1977	1,528,266	10,145
1976	1,479,341	6,579

	No. of Com. Shares #	Earn. per Share #
1980	8,450,000	$3.27
1979	8,499,000	2.23
1978	8,495,000	1.65
1977	8,432,000	1.14
1976	8,381,000	0.91

* 53 weeks.
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues by Line of Business

	1980 (000's)	%	1979 (000's)	%
Supermarkets	$2,068,300	87%	$1,778,500	86%
Department stores	159,500	7	154,700	8
Home centers	144,800	6	128,700	6
Total	$2,372,600	100%	$2,061,900	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.465	—	—
1979	0.405	—	—
1978	0.345	—	—
1977	0.255	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$119,270,000	$14.11
1979	100,440,740‡	11.82
1978	85,104,950‡	10.02

‡ After allowing for $1.30 cumulative convertible preferred stock at liquidation value of $30 per share and $1.00 cumulative preferred stock at stated value of $10 per share.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account
(000's)

Year ended	2/2/80	2/3/79 (53 weeks)
Net sales	$ 2,372,574	$ 2,061,873
Cost of sales	1,852,443	1,601,379
Expenses	440,955	387,952
Depreciation & amortization	27,653	24,214
Interest expense	12,686	16,043
Income before taxes	$ 38,837	$ 32,285
Income taxes	15,377	14,411
Income from cont. oper.	$ 23,460	$ 17,874
Income from discont. oper.		2,763
Net Income	$ 23,460	$ 20,637

Assets
(000's)

As of	2/2/80	2/3/79
Cash	$ 22,259	$ 32,607
Accts. receiv., net	20,992	26,661
Other assets	19,969	20,266
*Inventories	157,530	133,222
Insurance claims	9,839	22,331
Current Assets	$ 230,589	$ 235,087
#Fixed assets	292,443	264,395
Other assets	4,469	8,665
Total Assets	$ 527,501	$ 508,147

Liabilities
(000's)

Long-term debt, curr.	$ 4,437	$ 4,058
Cap. lease oblig. curr.	6,106	6,285
Accts. payable	107,602	101,948
Accruals & other liabilities	33,966	31,660
Accrued payroll	26,877	23,383
Income taxes	21,173	16,701
Curr. Liabilities	$ 200,161	$ 184,035
Long-term debt	67,696	70,154
Oblig. under cap. leases	118,835	120,507
Other liabilities	21,539	19,808
Redeemable preferred stock	—	10,000
+Preferred stock	—	254
+ +Common stock	8,623	8,410
Add. paid-in capital	8,459	8,849
Retained earnings	108,832	90,153
Treasury stock	(6,644)	(4,023)
Total Liabilities & Shareholders' Equity	$ 527,501	$ 508,147

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.64	—
%Net Income to Sales	0.99	—
%Net Income to Equity	19.67	19.91
Sales to Inventories	15.06	15.48
Working Capital	$ 30,428,000	$ 51,052,000
Current Ratio	1.15	1.28
Shareholders' Equity	$119,270,000	$103,643,000

Tandy Brands, Inc.

1710 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3790

Officers: Douglas H. Manning, chairman of the board; president & chief executive officer; John W. Cosby, Jr., v.p. & secretary; Carson R. Thompson, v.p.; Dan D. Davis, treasurer.

Directors: Douglas H. Manning, chairman, Carson R. Thompson, James L. West, John A. Wilson, John W. Cosby, Jr., Dan D. Davis, William M. Manning.

Tandy Brands, Inc.

Business Activities: Operates principally in two segments centered around the manufacture, wholesale and retail sale of finished leather goods. The "Western" market segment is comprised of saddlery, riding equipment, related western clothing and accessories and specialty leather goods for sportsmen. The "Non-Western" fashion segment is composed of fine leather accessories, travel kits, belts and billfolds.

Retail Division:

Western World Stores
A chain of western wear stores throughout Texas and Oklahoma.

Transfer Agent(s):

First National Bank of Fort Worth
Fort Worth, Texas

Stock Exchange(s): American

Ticker Symbol: TAB

Number of Stores:

1978	25

Sales and Earnings

	Net Sales	Net Income
1979	$ 43,607,521	$ 2,677,706
1978	38,050,220	2,510,532
1977	38,025,057	2,481,608
1976	38,493,000	2,192,000
1975	34,286,000	435,000

	No. of Com. Shares †	Earn. per Share †
1979	1,375,000	$1.95
1978	1,379,000	1.82
1977	1,463,000	1.70
1976	1,630,000	1.34
1975	1,824,000	0.24

† Based on weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.10 +	—	—
1978	—	—	—
1977	—	—	2-for-1
1976	—	—	—
1975	—	—	—

+ Declared Aug., 1979.

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 20,673,569	$15.04
1978	18,879,179	13.69
1977	18,913,024	12.93
1976	17,287,954	10.61

† Based on weighted average number of common shares outstanding.

Income Account

Year ended June 30	1979	1978
Net sales	$ 43,607,521	$ 38,050,220
Interest, royalty & other income	590,938	612,675
Total income	$ 44,198,459	$ 38,662,895
Costs of sales	22,846,646	20,098,187
Expenses	15,366,031	13,233,886
Depreciation & amortization	470,511	360,644
Interest expense	696,166	267,085
Income before taxes	$ 4,819,105	$ 4,703,093
Income taxes	2,141,399	2,192,561
Net Income	$ 2,677,706	$ 2,510,532

Assets

As of June 30	1979	1978
Cash	$ 877,979	$ 978,271
Accts. receiv., net	8,357,562	7,841,145
* Inventories	15,879,397	11,667,276
Other current assets	641,037	581,442
Current Assets	$ 25,755,975	$ 21,068,134
# Fixed assets	3,951,754	2,814,964
Other assets & intangibles	3,395,327	3,004,009
Total Assets	$ 33,103,056	$ 26,887,107

Liabilities

Notes payable & long term debt, curr	$ 3,566,196	$ 1,372,210
Accts. payable	590,944	713,731
Accrued payroll	1,053,376	1,100,608
Accrued expenses	1,121,597	748,339
Income taxes	545,408	960,602
Current Liabilities	$ 6,877,521	$ 4,895,490
Long term debt	1,223,360	48,143
Other liabilities	603,206	702,195
Subordinated deben	3,725,400	2,362,100
+ Common stock	1,817,490	1,817,490
Add. paid in capital	15,318,289	15,005,224
Retained earnings	6,332,736	5,018,402
Treasury stock	(2,794,946)	(2,961,937)
Total Liabilities & Shareholders' Equity	$ 33,103,056	$ 26,887,107

* At lower of cost (average) or market.
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	11.05	12.36
%Net Income to Sales	6.14	6.60
%Net Income to Equity	12.95	13.30
Sales to Inventories	2.75	3.26
Working Capital	$ 18,878,454	$ 16,172,644
Current Ratio	3.74	4.30
Shareholders' Equity	$ 20,673,569	$ 18,879,179

Tandy Corporation

1800 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3790

Officers: Phil R. North, chairman of the board, president and chief executive officer; Lewis F. Kornfeld, Jr., James E. Baker, exec. v.p.'s; James L. West, vice chairman of the board; Charles W. Tindall, Jr., sr. vice president and treasurer; Herschel C. Winn, sr. v.p. & secretary; John V. Roach, Billy R. Roland, Lloyd L. Turner, v.p.'s; Donald L. Block, asst. treasurer; Louis G. Neumann, asst. secretary.

Directors: Phil R. North, chairman; William C. Conner, John B. Collier, Jr., Lawrence E. Dempsey, James L. West, Perry R. Bass, Jesse L. Upchurch, John A. Wilson, Lewis F. Kornfeld, Jr., Robert R. Lowdon, G.R. Nugent, Donald L. Bryant, James E. Baker, John V. Roach.

Business Activities: Operates Radio Shack stores, a consumer electronics chain with company stores, franchised stores and dealer stores located throughout the United States, Canada, Japan, So. Korea, Taiwan, Europe and Australia. Sales outlets in Europe and Australia operate under the name of Tandy International Electronics. Also manufactures consumer electronics products. As of June 30, 1980 there were 7,715 Radio Shack outlets.

Division & Subsidiaries:

Radio Shack Division
Tandy International Electronics
Tandy Electronics Manufacturing
A&A International Trading Companies
A&A Financial Corporation
Tandy Life Insurance Company

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Fort Worth National Bank
Fort Worth, Texas

Stock Exchange(s): New York

Ticker Symbol: TAN

Number of Stores: (at fiscal year end)

1980	7,715	1978	7,071
1979	7,353		

Sales and Earnings

	Net Sales	Net Income
1980	$1,384,637,000	$112,235,000
1979	1,215,483,000	83,229,000
1978	4,059,324,000	66,146,000
1977	949,267,000	49,042,000
1976	741,722,000	67,524,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	25,911,000	$4.47
1979	26,501,000	3.23
1978	24,034,000	2.75
1977	33,084,000	2.09
1976	36,206,000	1.86

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	2-for-1
1977	—	—	—
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$283,125,000	$10.93
1979	208,353,000	7.86
1978	138,966,000	5.78
1977	164,337,000	4.97
1976	* 205,882,000	5.69

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account
(000's)

Year ended June 30	1980	1979
Net sales	$ 1,384,637	$ 1,215,483
Other income	11,360	11,403
Total income	$ 1,395,997	$ 1,226,886
Costs of sales	594,841	535,549
Expenses	546,325	484,249
Depreciation & amortization	19,110	17,121
Interest expense	25,063	28,466
Income before taxes	$ 210,658	$ 161,501
Income taxes	98,423	78,272
Net Income	$ 112,235	$ 83,229

Assets
(000's)

As of June 30		1980		1979
Cash	$	56,365	$	37,621
Accts. & notes receiv., net		25,725		15,841
* Inventories		435,160		381,649
Other assets		13,809		12,590
Current Assets	$	531,059	$	447,701
# Fixed assets		165,140		156,670
Other assets		14,099		5,218
Total Assets	$	710,298	$	609,589

Liabilities

Notes payable	$	25,918	$	37,189
Accts. payable		58,926		34,390
Accruals		59,170		52,343
Income taxes		24,703		13,931
Current Liabilities	$	168,717	$	137,853
Long-term debt		6,523		8,688
Subord. deb.		122,221		122,045
6½% conv. sub. deben.		99,954		100,000
Store mgr. deposits		14,045		16,718
Other liabilities		6,811		4,954
Deferred inc. taxes		8,902		10,978
+ Common stock		25,152		25,150
Add. paid in capital		33,992		30,441
Retained earnings		297,418		185,183
Treasury stock		(73,437)		(32,421)
Total Liabilities & Shareholders' Equity	$	710,298	$	609,589

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.21	13.29
%Net Income to Sales	8.11	6.85
%Net Income to Equity	39.64	39.95
Sales to Inventories	3.18	3.18
Working Capital	$362,342,000	$309,848,000
Current Ratio	3.15	3.25
Shareholders' Equity	$283,125,000	$208,353,000

Tandycrafts, Inc.

1700 One Tandy Center
Forth Worth, Texas 76102
(817) 390-3015

NOTE: In May, 1975 the Board of Directors of Tandy Corporation announced a plan to spin-off to shareholders the hobby and handicrafts and general printing operations of Tandy under the name Tandycrafts, Inc., and the leather goods manufacturing business of Tandy under the name Tandy Brands, Inc. The stock of Tandycrafts was distributed to the stockholders of Tandy on the basis of one share of Tandycrafts for each two shares of Tandy held. The spin-off of the operations of Tandycrafts and Tandy Brands was completed in October, 1975. On May 14, 1976 the spin-off of the Stafford-Lowdon, Inc. printing company was completed. On April 9, 1979 the spin-off of the Color Tile, Inc. home improvement operations was completed. The following corporate data reflects these spinoffs.

Officers: George R. Nugent, chairman of the board, president & chief executive officer; William H. Michero, vice president, secretary & treasurer; C. Gary Crow, asst. treasurer.

Directors: George R. Nugent, Edward B. Hauser, Robert Schutts, James L. West, John A. Wilson, J.C. Pace, Jr., William H. Michero.

Business Activities: Operates ceramic and mosaic tile stores and hobby and handicraft retail outlets throughout the United States and Canada.

Divisions & Subsidiaries:

Tandy Leather Company
Fort Worth, Texas

Producer and supplier of materials, kits and equipment used for producing functional and ornamental leather work. Sales are primarily to schools, hospitals, prisons, recreational organizations and similar institutions. As of June 30, 1977, this division operated 358 company-owned retail and mail order stores in the United States.

American Handicrafts/Merribee Company
Fort Worth, Texas

Supplier of materials and equipment, in bulk as well as kit form, for use in nearly all fields of handicraft work other than leathercraft. Materials for craft work in mosaic tile, art metals, painting, basketry and candle making are typical of the merchandise lines supplied by this division. Also designs and produces kits and furnishes materials and supplies for hand craft work in the needle arts. Retail sales are carried on nationally through mail order and through 603 company stores located throughout the United States.

Transfer Agent(s):

First National Bank
Boston, Massachusetts

First National Bank
Fort Worth, Texas

Stock Exchanges(s): New York.

Ticker Symbol: TAC

Number of Stores: (as of June 30, 1979)

1979	603	1976	978
1978	1,059	1975	899
1977	1,042		

Sales and Earnings

	Net Sales +	Net Income
1979	$ 92,899,000	$ 6,675,000
1978	96,782,000	9,376,000
1977	100,612,000	8,058,000
1976	96,584,000	10,235,000
1975	83,295,000	7,359,000

	No. of Com. Shares ≠	Earn. per Share ≠
1979	4,032,000	$1.66
1978	4,130,000	2.27
1977	4,332,000	1.86
1976	4,451,000	2.30
1975	4,561,000	1.61

+ Of continuing operations only.
≠ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 37,572,000	$9.09
1978	51,241,000	12.86
1977	44,723,000	10.78
1976	39,961,000	9.07

Income Account
(000's)

Year ended June 30		1979		1978
Net sales	$	92,899	$	96,782
Cost of sales		47,559		46,759
Expenses		42,799		43,274
Depreciation & amortization		1,375		1,584
Interest expense (income)		(26)		359
Income before taxes	$	1,192	$	4,806
Income taxes		507		2,415
Income from cont. oper.	$	685	$	2,391
Income from discont. oper.		5,990		6,985
Net Income	$	6,675	$	9,376

Assets
(000's)

As of June 30		1979		1978 †
Cash	$	3,600	$	6,335
Accts. receiv., net		3,174		4,006
*Inventories		26,725		25,775
Other assets		1,075		978
Current Assets	$	34,574	$	37,094
# Fixed assets		5,854		7,317
Assets of discont. oper.		—		29,659
Other assets		395		335
Intangibles		2,248		2,248
Total Assets	$	43,071	$	76,653

Liabilities
(000's)

Long-term debt, curr.	$	—	$	900
Accts. payable & accruals		3,711		5,129
Accrued payroll		1,610		2,283
Income taxes		178		—
Curr. Liabilities	$	5,449	$	8,312
Long-term debt		—		17,100
+ Common stock		4,632		4,632
Add. paid-in capital		21,580		27,553
Retained earnings		18,915		28,230
Treasury stock		(7,555)		(9,174)
Total Liabilities & Shareholders' Equity	$	43,071	$	76,653

† Restated to reflect discontinued operations.
* At lower of cost (average cost method) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	17.77	18.30
Sales to Inventories	3.48	3.75
Working Capital	$ 29,125,000	$ 28,782,000
Current Ratio	6.35	4.46
Shareholders' Equity	$ 37,572,000	$ 51,241,000

TDA Industries, Inc.

122 East 42nd Street
New York, New York 10017
(212) 972-1510

Officers: Douglas P. Fields, president; Edward A. Lampert, chairman of the board & exec. v.p.; Frederick M. Friedman, financial v.p.-treasurer & secretary; Gerald Gelles, v.p.

Directors: Edward A. Lampert, Gerald Gelles, Stanley I. Feldman, John E. Smircina, Ronald Gold, Arthur M. Gilman, Morton H. Fleischer, Joseph H. Popolow.

Business Activities: Engaged in the wholesale and retail distribution of building and hardware supplies in Massachusetts, Maine, Connecticut, New Hampshire and Florida; distributes and manufactures home furnishings including electrical wiring device items, carpeting, hardwood flooring and tile in Florida; retail distribution of food products, appliances in the metropolitan New York area; also operates a leisure time facility in New York.

TDA Industries, Inc.

Divisions & Subsidiaries:

The Westco Corporation (Subsidiary)

Maineco Division

Biddeford Maine Supply Co.
Biddeford, Maine

Brunswick Maine Supply Co.
Brunswick, Maine

Johnson Supply Co.
Portland, Maine

Maine Hardware & Plumbing Supply Co.
Portland, Maine

McKenney & Heard Co.
Biddeford, Maine

Westbrook Maine Supply Co.
Westbrook, Maine

Moulton Supply
Portsmouth, New Hampshire

Main Hardware
East Hartford, Connecticut

United Electric Supply
Boston, Massachusetts

Peerless Electric Supply Division
Somerville, Massachusetts

Samuel Hurwitz Co. Division
Boston, Massachusetts

West Hartford Supply Division
West Hartford, and Meriden, Connecticut

Woburn Supply Division
Woburn, Massachusetts

Gem Electric Supply Division
Boston, Massachusetts

Grace Plumbing Supply Division
Worcester, Massachusetts

New Hampshire Supply Division
Manchester, New Hampshire

Northeastern Fastener Division
East Hartford, Connecticut

Cooper Distributors, Inc. (subsidiary)
Miami, Jacksonville, and Orlando, Florida

Eagle Supply, Inc. (subsidiary)
Tampa, St. Petersburg, and Jacksonville, Florida

Economy Enterprises Division
Mineola, New York

Northeastern Plastics Division
Brooklyn, New York

Midtown Tennis Club Division
New York, New York

Westcalind Corp. (47% interest)

Emblem & Badge Inc. (subsidiary of Westcalind Corp.)
Providence, Rhode Island

Transfer Agent(s):

Continental Stock Transfer and Trust Company, Ltd.
New York, New York

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales ‡	Net Income
1979	$ 49,712,428	$ (2,850,084)
1978	45,224,773	1,366,228
1977	n.a.	1,325,519
1976	n.a.	1,302,552
1975	n.a.	1,216,359

	No. of Com. Shares ≠	Earn. per Share †
1979	1,285,204	$ —
1978	1,324,664	0.97
1977	1,324,664	0.90
1976	1,306,256	0.83
1975	1,334,256	0.75

(Loss)
n.a.-not available.
‡ Of continuing operations only.
† Based on weighted average number of shares outstanding adjusted to reflect stock split.
≠ Adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	—
1975		—	1-for-5

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 20,920,006 +	$16.28
1978	24,011,603 +	18.13
1977	22,726,975 +	17.16
1976	21,371,356 ≠	16.36
1975	19,887,834†	14.91

‡ Adjusted to reflect stock split.
† After allowing for Series A, Series B and Series C preferred stock at liquidation values of $100, $20 and $5 respectively.
≠ After allowing for Series A and Series C preferred stock at liquidation values of $100 and $5 respectively.
+ After allowing for Series C preferred stock at liquidation value of $5.

Income Account

Year ended June 30	1979	1978
Net sales	$ 49,712,428	$ 45,224,773
Cost of sales	40,587,945	36,632,604
Expenses	9,338,530	8,286,102
Amortization of intangible	547,729	90,311
Other income	(221,397)	(123,951)
Interest expense	393,184	770,766
Loss before taxes	$ (933,563)	$ (431,059)
Tax credit	(257,000)	(256,100)
Eq. in loss (income) of affil. co.	106,003	(21,586)
Loss from cont. oper.	$ (782,566)	$ (153,373)
Income (loss) from discont. oper.	(2,067,518)	1,519,601
Net Income (Loss)	$ (2,850,084)	$ 1,366,228

Assets

As of June 30	1979	1978
Cash & short-term invest.	$ 5,754,390	$ 3,210,185
Accts. and notes receiv., net	6,271,042	11,434,527
Notes & mortg. receiv.	[illegible]	
*Inventories	[illegible]	19,212,838
Refund. inc. taxes	2,016,463	
Other curr. assets	798,711	426,978
Current Assets	$ 20,436,564	$ 34,284,528
# Fixed assets	2,247,288	6,450,018
Other assets	3,872,087	1,275,891
Intangibles	3,258,033	5,143,301
Total Assets	$ 29,813,972	$ 47,153,738

Liabilities

Long-term debt, curr.	$ 42,207	$ 652,878
Accts. payable	4,015,920	8,392,480
Accruals	1,779,503	1,702,769
Income taxes		782,113
Curr. Liabilities	$ 5,837,630	$ 11,530,240
Long-term debt	1,664,639	10,219,295
Deferred income	191,697	192,600
+ Preferred stock	1,200,000	1,200,000
+ + Common stock	264,933	264,933
Add. paid-in capital	14,537,926	14,537,926
Retained earnings	6,277,060	9,208,744
Treasury stock	(159,913)	
Total Liabilities & Shareholders' Equity	$ 29,813,972	$ 47,153,738

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $0.20 par value.

Statistical Summary

%Net Income to Equity		5.42
Sales to Inventories	9.51	2.35
Working Capital	$ 14,598,934	$ 22,754,288
Current Ratio	3.50	2.97
Shareholders' Equity	$ 22,120,006	$ 25,211,603

Teledyne, Inc.

1901 Avenue of the Stars
Los Angeles, California 90067
(213) 277-3311

Officers: Henry E. Singleton, chief executive officer & chairman of the board; George A. Roberts, president; Robert S. Bell, A.V. Holmlund, Frederick A. Kaufman, Leo W. Killen, Barry J. Shillito, G. Williams Rutherford, Jerrold V. Jerome, Teck A. Wilson, vice presidents; Charles E. Rincsh, vice president & secretary-treasurer.

Directors: Henry E. Singleton, chairman; George Kozmetsky, George A. Roberts, Arthur Rock, Claude E. Shannon, William W. Shannon.

Business Activities: Primarily engaged in the manufacture of industrial products including gasoline and diesel engines, machinery and related tooling, geophysical instruments, molded rubber products for the aviation industry, electronic components and systems, specialty metals, oral hygiene devices, dental equipment, commercial heating and hot water equipment, and stereo speakers. A subsidiary, Olson Electronics, operates a chain of 79 stores in 15 states and a mail-order service for the retailing of electronic products to the consumer for home use. Teledyne Service Company has centers in 16 states for the servicing of electronic home entertainment products and appliances. Also operates casualty insurance companies and a consumer finance company.

Retail Subsidiary:

Olson Electronics
260 So. Forge Street
Akron, Ohio 44327
(216) 535-1800

Operates a chain of 79 stores in 15 states and a mail-order service for the retailing of electronically oriented products to the consumer for home use.

Transfer Agent(s):

Bank of America N.T. & S.A.
Corporate Agency—Service Center
P.O. Box 37002
San Francisco, California 94137

United States Trust Company of New York
130 John Street
New York, New York 10038

Stock Exchange(s): New York, Pacific

Ticker Symbol: TDY

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1979	$ 2,705,600	$ 371,960
1978	2,441,629	248,503
1977	2,209,731	194,783
1976	1,937,556	136,799
1975	1,714,972	101,706

	No. of Com Shares ‡	Earn. per Share ‡
1979	13,481,630	$27.59
1978	14,067,879	17.63
1977	14,140,946	13.65
1976	15,141,693	8.90
1975	20,671,549	4.81

‡ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Revenues by Line of Business
(000's)

	1979	1978
Industrial	$ 936,356	$ 914,615
Aviation & electronics	642,617	539,102
Specialty metals	841,246	698,028
Consumer & other	285,384	289,884
Total	$ 2,705,600	$ 2,441,629

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	8½%	—
1978	—	10%	—
1977	—	3%	—
1976	—	3%	—
1975	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share ≠
1979	$1,275,406,000	$94.60
1978	875,357,000	62.22

≠ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 2,705,600	$ 2,441,629
Cost of sales	1,995,643	1,805,657
Expenses	319,026	279,335
Interest expense	12,505	15,843
Interest income	(22,689)	(16,756)
Income before taxes	$ 401,115	$ 357,550
Income taxes	193,800	181,600
Minority interest	(164,645)	(72,553)
Net Income	$ 371,960	$ 248,503

* Included in Costs and Expenses, Depreciation and Amortization: $67,408,000 in 1979 and $57,236,000 in 1978.

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 42,875	$ 43,691
Marketable securities	213,022	218,957
Receiv., net	323,181	283,978
*Inventories	163,163	167,686
Prepaid expenses	5,369	4,653
Current Assets	$ 747,610	$ 718,965
Investments	936,484	527,908
≠Fixed assets	308,254	284,470
Other assets	34,849	35,325
Total Assets	$ 2,027,197	$ 1,566,668

Liabilities
(000's)

Long-term debt, curr.	$ 20,774	$ 21,239
Accts. payable	122,778	109,054
Accruals	202,145	166,067
Income taxes	62,000	61,300
Curr. Liabilities	$ 407,697	$ 357,660
Long-term debt	243,617	261,695
Def. income taxes	90,000	61,600
Other liabilities	10,477	10,356
+Common stock	32,340	32,340
Add. paid-in capital	607,795	512,659
Retained earnings	1,036,543	787,599
Equity in unrealized apprec. in marketable sec. of uncons. subs.	68,301	9,402
Treasury stock	(469,573)	(466,643)
Total Liabilities & Shareholders' Equity	$ 2,027,197	$ 1,566,668

* At lower of cost (FIFO and LIFO) or market.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.83	14.64
%Net Income to Sales	13.75	10.18
%Net Income to Equity	29.16	28.39
Sales to Inventories	16.58	14.56
Working Capital	$ 339,913,000	$361,305,000
Current Ratio	1.83	2.01
Shareholders' Equity	$1,275,406,000	$875,357,000

Thomaston Mills, Inc.
(formerly Thomaston Cotton Mills)

P.O. Box 311
Thomaston, Georgia 30286
(404) 647-6611

Officers: Wm. H. Hightower, Jr., chairman of the board; George H. Hightower, president; Neil H. Hightower, exec. v.p.; O. R. Lewis, sr. v.p.-director of sales; Marc V. Shivers, sr. v.p.-finishing; Harry W. Ormand, Jr., v.p.-finishing; W. Harrison Hightower III, v.p.-administration; Frank P. Andrews, Jr., v.p.-apparel sales; James E. Boyers, v.p.-industrial rel.; John R. Carson, v.p.-household sales; H. Stewart Davis, v.p.-finishing sales; John M. Ormand, v.p.-mfg.; Thomas J. Slade, Jr., v.p.-raw material purchases; George H. Hightower, Jr., v.p.-industrial sales; Garner M. Ellerbee, secretary; Rosser R. Raines, treasurer.

Directors: Thomas D. Adams, Jr., Julian T. Hightower*, William H. Hightower, Jr.*, George H. Hightower*, Alfred D. Kennedy*, Harry W. Ormand, Will B. Plowden, Allen Post, Julian H. Roberts.

*Member of Executive Committee

Business Activities: Produces and finishes apparel and industrial fabrics; manufactures sheets and shirts; also sells its products in company-owned retail stores.

Transfer Agent(s):

The Citizens and Southern National Bank
Atlanta, Georgia

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	5	1976	5
1978	5	1975	5
1977	5		

Sales and Earnings

	Net Sales	Net Income
1979	$103,236,323	$ 87,840
1978	102,490,014	1,295,599
1977	98,160,823	3,249,568
1976*	93,401,267	2,531,783
1975	66,908,000	1,301,000

	No. of Com Shares †	Earn. per Share †
1979	936,753	$0.09
1978	936,753	1.38
1977	936,753	3.47
1976	936,753	2.70
1975	936,753	1.39

* 53 weeks.
† Adjusted to reflect stock dividend.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$1.20	—	—
1978	1.17	10%	—
1977	1.09	—	—
1976	1.00	—	—
1976	0.9[illegible]	—	—

† Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share†
1979	$ 47,748,118	$50.97
1978	48,784,382	52.08
1977	48,590,072	51.87
1976	46,362,539	49.49
1975	44,768,000	47.79

† Adjusted to reflect stock dividend.

Income Account*

Year ended	6/30/79	7/1/78
Net sales	$103,236,323	$10[illegible]0,014
Other income	220,793	174,028
Total income	$103,457,116	$102,664,042
Cost of sales	97,974,981	95,914,161
Expenses	5,199,581	4,458,418
Other charges	555,714	344,864
Income (loss) before taxes	$ (273,160)	$ 1,946,599
Income taxes (credit)	(361,000)	651,000
Net Income	$ 87,840	$ 1,295,599

* Included in Costs and Expenses, Depreciation: $3,731,453 in 1979 and $3,831,184 in 1978.

Assets

As of	6/30/79	7/1/78
Cash	$ 2,155,005	$ 2,008,824
Accts. receiv., net	18,690,517	16,140,391
*Inventories	18,958,484	19,108,309
Refundable taxes	439,503	—
Other assets	177,454	150,851
Current Assets	$ 40,420,963	$ 37,408,375
≠Fixed assets	18,932,207	20,675,426
Total Assets	$ 59,353,170	$ 58,083,801

Liabilities

Accts. payable	$ 4,434,717	$ 3,070,070
Notes payable	6,000,000	5,000,000
Local taxes	325,420	276,882
Income taxes	—	29,497
Payroll taxes	315,620	374,396
Other liabilities	274,074	281,335
Accrued payroll	255,620	267,239

Thomaston Mills, Inc.

Curr. Liabilities	$ 11,605,052	$ 9,299,419
+ Common stock	9,367,530	9,367,530
Add. paid-in capital	1,190,798	1,190,798
Retained earnings	37,189,790	38,226,054
Total Liabilities & Shareholders' Equity	$ 59,353,170	$ 58,083,801

* Raw cotton polyester staple and cotton content of finished goods and work in process at cost (LIFO), which is lower than current replacement market. Other inventories at lower of average cost or market.
# Less accumulated depreciation.
+ $10 par value

Statistical Summary

%Income bef. Taxes to Sales	—	1.90
%Net Income to Sales	0.09	1.26
%Net Income to Equity	0.18	2.66
Sales to Inventories	5.45	5.36
Working Capital	$ 28,815,911	$ 28,108,956
Current Ratio	3.48	4.02
Shareholders' Equity	$ 47,748,118	$ 48,784,382

Thorofare Markets, Inc.

650 North Meridian Road
Youngstown, Ohio
(216) 792-9051

Mailing address:

P.O. Box 120
Youngstown, Ohio 44501

Officers: Milton G. Hulme, Jr., chairman of the board. W.L. Reiff, president & chief exec. officer; Robert B. Heintz, v.p.-meat operations; Rudolph F. Zupancic, v.p.-store operations; H. R. Shiever, v.p.-finance & treasurer; Donald I. Dilg, v.p.-sales & merchandising; George W. Keene, secretary; Richard Roca, controller; D. O'Halloran, asst. secretary-asst. treasurer.

Directors: M. G. Hulme, Jr.*, chairman; W.L. Reiff* Milton G. Hulme*, Eugene W. Merry, John M. Arthur, F. L. Wiegand Jr.*, L. E. Walkley.

* Member of Executive Committee

Business Activities: Operates a chain of supermarkets in Pittsburgh, Western Pennsylvania, Eastern Ohio and West Virginia under the trade names of Thorofare, First Stop, and Penny Fare.

Division(s):

Thorofare Division
Penny Fare Division

Transfer Agent(s):

The Union National Bank of Pittsburgh
Pittsburgh, Pennsylvania.

Stock Exchange(s): Over-the-Counter, American*

* Unlisted trading privileges.

Ticker Symbol: TMI

Number of Stores: (at fiscal year end)

1979	59	1976	75
1978	59	1975	78
1977	65		

Sales and Earnings

	Net Sales	Net Income †
1979	$218,347,855	$ 1,411,417
1978	200,908,230	823,837
1977	195,079,900	(1,242,000)
1976	186,553,862	243,000
1975	191,545,681	(2,120,000)

	No. of Com. Shares	Earn. per Share + †
1979	1,256,576	$1.13
1978	1,256,576	0.65
1977	1,268,143	—
1976	1,268,143	0.19
1975	1,268,143	—

(Loss)
† Restated to reflect capitalization of leases.
+ Including extraordinary gains of $645,000 ($0.52 per share) in 1979, $395,000 ($0.31 per share) in 1978 and $100,000 ($0.08 per share) in 1976.

Common Stock Equity †

	Total Equity ‡	Equity Per Share
1979	$ 13,786,719	$10.97
1978	12,416,070	9.88

†Restated to reflect capitalization of leases.
‡ After allowing for preferred stock, initial series and series B at redemption values of $35 and $26.25, respectively.

Income Account *

Year ended	7/28/79	7/29/78 ‡
Net sales	$218,347,855	$200,908,230
Costs & expenses	216,822,698	200,022,393
Income before taxes	$ 1,525,157	$ 885,837
Income taxes	758,500	457,000
Net Income	$ 766,657	$ 428,837
Extraord. gain	644,760	395,000
Net Income & extraord. gain	$ 1,411,417	$ 823,837

* Included in Costs and Expenses, Depreciation and Amortization: $1,064,191 in 1979 and $1,064,752 in 1978.
‡ Restated to reflect capitalization of leases.

Assets

As of	7/28/79	7/29/78 ‡
Cash	$ 1,662,574	$ 1,359,691
Short-term invest.	2,287,000	1,021,153
Accts. receiv., net	771,444	783,312
* Inventories	16,774,967	14,084,082
Prepaid expenses	254,414	516,597
Current Assets	$ 21,750,399	$ 17,764,835
# Fixed assets	6,858,399	7,199,336
Deferred taxes	239,200	247,940
Total Assets	$ 28,847,998	$ 25,212,111

Liabilities

Accts. payable	$ 9,226,107	$ 7,306,576
Accruals & sundry liabilities	2,704,137	2,069,290
Accrued state income taxes	46,000	62,000
Cap. lease. oblig., curr.	268,000	273,000
Curr. Liabilities	$ 12,244,244	$ 9,710,866
Long-term debt.	500,000	500,000
Cap. lease oblig.	2,198,000	2,466,000
+ Preferred stock:		
Initial series	86,150	86,150
Series B	125,000	125,000
+ + Common stock	6,345,865	6,345,865
Add. paid-in capital	5,902,554	5,902,554
Retained earnings	1,612,490	206,110
Treasury stock	(166,305)	(130,434)
Total Liabilities & Shareholders' Equity	$ 28,847,998	$ 25,212,111

‡ Restated to reflect capitalization of leases.
* At lower of cost or net realizable value.
# Less accumulated depreciation & amortization.
+ $25 par value; 5% cumulative.
+ + $5 par value.

Statistical Summary

%Income before Taxes to Sales	0.70	0.44
%Net Income to Sales	0.35	0.21
%Net Income to Equity	5.51	3.42
Sales to Inventories	13.02	14.26
Working Capital	$ 9,506,155	$ 8,053,969
Current Ratio	1.78	1.83
Shareholders' Equity	$ 13,905,754	$ 12,535,245

Three D Departments, Inc.

90 Meadow Road
Wilson, Connecticut 06095
(203) 527-9134

Mailing address:

P.O. Box 1110
Hartford, Connecticut 06101

Officers: Bernard Abrams, president & chief executive officer; John B. Abrahms, senior v.p. and asst. treasurer; Howard C. Jackson, v.p.-adm. & finance; David Kotkin, secretary; Robert Shutsky, treasurer; Abe Markowicz, v.p.-merchandising; Alan Gladstone, v.p.-operations; Ronald Dow, controller.

Directors: Bernard Abrams*, Robert D. Miller, Edward Solomon, Irving Schwartz, John B. Abrahms*, David Kotkin*, Gerson K. Bernstein, Howard C. Jackson*, Abe Markowicz.

* Member of Executive Committee.

Business Activities: Engaged in the operation of leased domestics departments in discount department stores. These departments sell curtains and draperies, linens and towels, rugs, bedspreads, sheets, blankets, and drapery hardware. Through a subsidiary, also operates a jobbing operation which sells fabrics and notions at wholesale.

Transfer Agent(s):

Hartford National Bank & Trust Company
Hartford, Connecticut

Stock Exchange(s): American

Ticker Symbol: TDD

Number of Stores (at fiscal year end)

	Leased Depts.	Discount Stores	Specialty Stores
1979	49	—	—
1978	47	—	3
1977	46	—	2
1976	73	—	2
1975	77	1	2

Sales and Earnings

	Net Sales ‡	Net Income #
1979	$ 54,428,726	$ 1,395,259
1978	22,626,994	1,225,351
1977	26,622,059	1,211,648
1976	22,570,561	1,542,227
1975	18,220,464	208,978

	No. of Com. Shares	Earn. per Share + #
1979	1,376,596	$1.07
1978	1,208,796	1.01
1977	1,208,896	1.00
1976	1,007,330	1.27
1975	1,025,400	0.17

‡ Of continuing operations only.
# Including extraordinary credits of $748,659 ($0.62 per share) in 1976, and $103,243 ($0.10 per share) in 1975.
+ Based on the average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	0.10	—	—
1977	—	20%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 9,006,205	$6.54
1978	7,397,825	6.12
1977	6,293,354	5.21
1976	5,081,706	4.20
1975	3,557,549	2.89

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended	7/28/79	7/29/78
Net sales	$ 54,428,726	$ 22,626,994
Rental income	230,381	73,117
Total income	$ 25,659,107	$ 22,700,111
Cost of sales	15,658,642	14,280,669
Expenses	7,220,206	6,392,667
Other (income) expense	—	(478,576)
Income before taxes	$ 2,780,259	$ 2,505,351
Income taxes	1,385,000	1,280,000
Net Income	$ 1,395,259	$ 1,225,351

* Included in Costs and Expenses. Depreciation and Amortization: $110,076 in 1979 and $109,164 in 1978.

Assets

As of	7/28/79	7/29/78
Cash	$ 3,978,770	$ 1,703,484
Accts. receiv., net	1,209,801	1,870,089
Refundable taxes		
* Inventories	6,108,412	6,372,848
Prepaid expenses	207,050	268,821
Current Assets	$ 11,504,033	$ 10,215,242
≠ Fixed assets	558,847	317,167
Other assets	340,034	237,182
Total Assets	$ 12,402,914	$ 10,769,591

Liabilities

Accts. payable	$ 2,646,599	$ 2,422,455
Accruals	413,700	527,313
Income taxes	212,965	311,313
Curr. Liabilities	$ 3,273,264	$ 3,261,081
Deferred compensation	123,445	110,685
+ Common stock	354,816	312,866
Add. paid-in capital	2,769,755	2,339,955
Retained earnings	6,036,722	4,900,092
Treasury stock	(155,088)	(155,088)
Total Liabilities & Shareholders' Equity	$ 12,402,914	$ 10,769,591

* At lower of average cost (principally on the retail method) or market.
≠ Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.11	11.07
%Net Income to Sales	2.56	5.42
%Net Income to Equity	15.49	16.56
Sales to Inventories	8.91	3.55
Working Capital	$ 8,230,769	$ 6,954,161
Current Ratio	3.51	3.13
Shareholders' Equity	$ 9,006,205	$ 7,397,825

Thriftimart, Inc.

1837 South Vermont Avenue
Los Angeles, California 90006
(213) 737-8400

Officers: Robert E. Laverty, chairman of the board; Roger M. Laverty, Jr., president & chief exec. officer; William R. Micka, v.p.; F. Gene Dupree, v.p., wholesale; Robert S. Satz, v.p.-retail; Edward A. Pearson, v.p.-finance & treasurer; Edward B. Smith, III, secretary; Roger M. Laverty, III, Catherine Stemmler, assistant secretaries; Jay W. Miller, controller.

Directors: Robert E. Laverty, chairman; Roger M. Laverty, Jr., Nancy L. Harris, Edward B. Smith III, Marshall D. Duffield, Robert J. Emmons, Burniel O. Swartzmiller, Ross E. Roeder, William R. Micka.

Business Activities: Operates a chain of supermarkets and a chain of Cash-and-Carry wholesale outlets in Southern California and Nevada. The Company's wholesale warehouse supplies merchandise to those company-owned stores as well as to instituitional customers and other supermarkets. Supermarkets are operated under the name "Thriftimart." Cash-and-Carry stores operate under the name "Smart & Final Iris Co."

Division(s):

Retail Division
1837 South Vermont Avenue
Los Angeles, California 90006
(213) 737-8400

Wholesale Division
1837 So. Vermont Avenue
Los Angeles, California 90006
(213) 737-8400

Subsidiaries:

Leasehills Corporation
1837 South Vermont Avenue
Los Angeles, California 90006
(213) 737-8400

Blue Chip Travel Service
1828 S. New Hampshire Ave
Los Angeles, California 90006
(213) 737-6050

Transfer Agent:

Security Pacific National Bank
333 South Hope Street
Los Angeles, California 90071
170 Broadway
New York, New York 10015

Stock Exchange(s): American, Pacific

Ticker Symbol: TFTA

Number of Supermarkets: (at fiscal year end)

1980	43	1977	47
1979	43	1976	60
1978	43		

Retail Liquor-Deli Stores: (at fiscal year end)

1980	1	1977	1
1979	1	1976	1
1978	1		

Cash-and-Carry Wholesale Outlets: (at fiscal year end)

1980	85	1977	83
1979	83	1976	84
1978	83		

Sales and Earnings

	Net Sales	Net Income +	No. of Com. Shares‡	Earn. per Share† +
1980*	$431,872,000	$ 7,213,000	890,555	$7.93
1979	368,136,000	4,488,000	890,555	4.86
1978	334,192,000	3,636,000	890,555	3.87
1977	338,498,000	2,506,000	890,555	2.66
1976	343,322,000	(5,408,000)	890,555	—

(Loss)
* 53 weeks.
‡ Class A and B shares outstanding.
† Based on average number of Class A and Class B shares outstanding.
+ Including extraordinary gains of $251,000 ($0.28 per share) in 1978, $140,000 ($0.16 per share) in 1977 and extraordinary loss of $551,000 ($0.62 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	0.70	—	—
1978	0.30	—	—
1977	—	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 44,436,000	$49.90
1979	38,292,000	43.00
1978	34,427,000	38.66
1977	31,058,000	34.87
1976	28,552,000	32.06

Income Account*

Year ended	3/30/80 (53 weeks)	3/25/79
Net sales	$431,872,000	$368,136,000
Cost of sales	342,921,000	292,332,000
Expenses	79,280,000	67,721,000
Interest expense	708,000	699,000
Gain on sales	(2,517,000)	(511,000)
Other income	(1,113,000)	(678,000)
Income before taxes	$ 12,593,000	$ 8,573,000
Income taxes	5,380,000	4,085,000
Net Income &	$ 7,213,000	$ 4,488,000

* Included in Costs and Expenses. Depreciation and Amortization: $3,505,000 in 1980 and $2,964,000 in 1979.

Assets

As of	3/30/80	3/25/79
Cash	$ 2,463,000	$ 3,398,000
Marketable securities	6,100,000	3,300,000
Accts. & notes receiv., net	4,043,000	4,502,000
*Inventories	25,190,000	22,502,000
Prepaid expenses	1,627,000	1,155,000
Current Assets	$ 39,423,000	$ 34,857,000
≠ Fixed assets	27,965,000	24,292,000
Prop. held under cap. leases	5,763,000	6,099,000
Other assets	4,088,000	4,089,000
Deferred taxes	1,635,000	1,755,000
Total Assets	$ 78,874,000	$ 71,092,000

Liabilities

Long-term debt, curr.	$ 1,309,000	$,326,000
Accts. payable	13,275,000	12,089,000
Accrued payroll	3,886,000	3,610,000
Accruals	4,588,000	4,097,000
Pension plan contrib.	861,000	614,000
Income taxes	1,391,000	868,000
Curr. Liabilities	$ 25,310,000	$ 22,604,000
Long-term debt	9,128,000	10,196,000

+Class A stock	1,711,000	1,711,000
+ +Class B stock	427,000	427,000
Add. paid-in capital	20,110,000	20,110,000
Retained earnings	22,188,000	16,044,000
Total Liabilities & Shareholders' Equity	$ 78,874,000	$ 71,092,000

* At cost (LIFO) which is lower than market: remainder at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value. 5% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.92	2.33
%Net Income to Sales	1.67	1.22
%Net Income to Equity	16.23	11.72
Sales to Inventories	17.14	16.36
Working Capital	$ 14,113,000	$ 12,253,000
Current Ratio	1.56	1.54
Shareholders' Equity	$ 44,436,000	$ 38,292,000

Thrifty Corporation

5051 Rodeo Road
Los Angeles, California 90016
(213) 293-5111

Officers: Leonard H. Straus, chairman of the board & chief executive officer; Richard G. Eils, president & chief operating officer; M. Axelrod, executive v.p. -buying; R.W. Henry, executive v.p. -store operations; Maurie I. Liff, executive v.p. -merchandising & sales; Dominic J. Cavallo, sr. v.p. -dir. store operations; Don K. Cox, sr. v.p. -dir. administrative services; Kenneth M. Crosby, sr. v.p. -dir. of buying & merchandising; Robert W. Henry, Jr., sr. v.p. -dir. of real estate & construction; Christian Bement, v.p. -dir. of industrial relations; Frank L. DeJohn, v.p. -dir. of store management personnel; Robert E. Gebhardt, v.p. -dir. of security; John Onestinghel, v.p. -dir. of mfg. & distribution; R. Ricciuti, v.p. & dir. of advertising; Mildred Arnold, v.p. -buying; James Koblensky, v.p. -buying; Richard Ramsey, v.p. -finance; H.A. Liff, Robert W. Miller, William Newman, Bruce M. Odell, vice presidents; James T. Haight, secretary & chief corp. counsel; D. Steven Nelson, treasurer; Laurence R. Abramason, controller; P. James Barthe, v.p. -real estate division & asst. secretary; E. Charles Straus, v.p. -real estate division & asst. secretary; James F. Arnold, Ellis H. Axelrod, William J. Beeney, Richard L. Borun, H.C. Burbach, Sidney Chambers, J. Jerry Christman, Ronald E. Clough, Thurmon A. Crosswhite, Jack Freeman, Philip S. Gallo, William C. Gilkey, Iris M. Hackett, James T. Harrell, Jack Henderson, G.W. Kent, Robert E. Kertin, Manny Lampel, Gene M. Liticker, John L. Mertz, William C. Pierson, Ray C. Rumel, Gerald J. Sauer, Donald P. Schneider, Billy B. Shelton, Ruie E. Shows, Bernard Stillman, Adrain D. Weills, Ervin Weinberger, Herbert Zarrow, asst. v.p.'s; Arthur London, asst. v.p. & asst. secretary; Gary S. Meade, asst. v.p. -legal affairs & asst. secretary; Lerita B. Walker, asst. secretary; Ryan Tondro, asst. controller.

Directors: Leonard H. Straus, Harry M. Bardt, M. Axelrod, Barton Beek, R.W. Henry, Harry Liff, William S. Banowsky, Frederick T. Burrill, Richard G. Eils, Richard Ralphs.

Business Activities: Operates a chain of retail drug and discount stores principally in southern California, but also in northern California and in eight western states; also operates a chain of Big 5 Sporting Goods stores; food service units; discount department stores under the name Wonder World; and an importing business.

Subsidiaries & Divisions:

Thrifty Drug and Discount Stores Division
5051 Rodeo Road
Los Angeles, California 90016
(213) 293-5111

Operates drug and discount stores in California, Nevada, Arizona, Idaho, or Oregon under the trade name Thrifty Drug & Discount Stores.

Discount Drug Stores
5051 Rodeo Road
Los Angeles, California 90016
(213) 293-5111

Operates drug and discount stores in Utah, Wyoming, Washington and New Mexico under the trade names Giant T and Thrifty Drug and Discount Stores.

Thrifty Food Operations Division
5051 Rodeo Road
Los Angeles, California 90016
(213) 293-5111

Operates fountain and coffee shop facilities.

United Merchandising Corp.
14440 Ocean Gate Ave.
Hawthorne, California 90250
(213) 772-2772

Operates sporting goods stores in California and Nevada under the trade name "Big 5".

The Newman Importing Company, Inc.
8461 Warner Drive
Culver City, California 90230
(213) 871-0300

Operates an importing business with sales to jobbers, retailers and mail order houses, with offices in Los Angeles and Taiwan.

Wonder World Company
Wonder World Travel Service of Nevada
3651 Maryland Parkway
Las Vegas, Nevada 89109
(702) 735-2539

Manages four discount department stores in Nevada under the trade name Wonder World, "WOW", and a travel service.

Thrifty Realty Company
5051 Rodeo Road
Los Angeles, California 90016
(213) 293-5111

Owns store properties, 3 distribution centers, manufacturing and processing plants and a headquarters complex.

Transfer Agent(s):

Bank of America, N.T. & S.A.
Los Angeles and New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: TFD

Number of Stores:* (at fiscal year end)

1979	517	1976	490
1978	515	1975	469
1977	506		

* Excluding sporting goods stores, food service units, and discount department stores.

Sales and Earnings

	Net Sales	Net Income †
1979	$858,358,000	$ 14,200,000
1978	759,236,000	10,685,000
1977	674,626,000	8,237,000
1976	610,074,000	7,530,000
1975	546,716,000	5,352,000

	No. of Com. Shares	Earn. per Share # †
1979	9,822,267	$1.45
1978	9,770,417	1.09
1977	9,770,417	0.84
1976	9,801,428	0.77
1975	9,801,428	0.55

† Restated to reflect capitalization of leases.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.58	—	—
1978	0.51	—	—
1977	0.46	—	—
1976	0.40	—	—
1975	0.40	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 99,791,000	$10.16
1978	90,908,000	9.30
1977	85,206,000	8.72
1976	81,766,000	8.34
1975	78,157,000	7.97

‡ Restated to reflect capitalization of leases.

Income Account

Year ended August 31	1979	1978 ‡
Net sales	$858,358,000	$759,236,000
Cost of sales	637,775,000	561,390,000
Expenses	178,944,000	163,925,000
Depreciation & amortization	8,284,000	7,449,000
Interest expense	8,741,000	6,136,000
Interest income	(62,000)	(101,000)
Income before taxes	$ 24,676,000	$ 20,437,000
Income taxes	10,476,000	9,752,000
Net Income	$ 14,200,000	$ 10,685,000

‡ Restated to reflect capitalization of leases.

Assets

As of August 31	1979	1978 ‡
Cash	$ 12,421,000	$ 11,166,000
Accts. receiv., net	8,668,000	4,995,000
*Inventories	161,724,000	135,988,000
Prepaid expenses	3,694,000	3,114,000
Current Assets	$186,507,000	$155,263,000
# Fixed assets	85,495,000	72,888,000
Leased prop. under cap. leases	23,704,000	24,807,000
Other assets	5,656,000	5,831,000
Total Assets	$301,362,000	$258,789,000

Liabilities

Long-term debt, curr.	$ 1,735,000	$ 2,225,000
Cap. lease oblig., curr.	572,000	516,000
Accts. payable	90,703,000	72,884,000
Accruals	14,808,000	13,597,000
Income taxes	2,324,000	3,884,000
Curr. Liabilities	$110,142,000	$ 93,106,000
Long-term debt	59,969,000	42,988,000
Deferred inc. taxes	2,674,000	2,447,000
+Common stock	2,689,000	2,675,000
Add. paid-in capital	3,432,000	3,086,000
Retained earnings	93,670,000	85,147,000
Total Liabilities & Shareholders' Equity	$301,362,000	$258,789,000

‡ Restated to reflect capitalization of leases.
* At (LIFO) cost.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.87	2.69
%Net Income to Sales	1.65	1.41
%Net Income to Equity	14.23	11.75
Sales to Inventories	5.31	5.58
Working Capital	$ 76,365,000	$ 62,157,000
Current Ratio	1.69	1.67
Shareholders' Equity	$ 99,791,000	$ 90,908,000

Topps & Trowsers

681 Market Street
San Francisco, California 94105
(415) 957-4000

Officers: Harold Schwartz, chairman of the board & chief executive officer; Gordon Harris, vice chairman & chief merchandising officer; John D. Hellmann, v.p. & controller; Louis R. Alba, v.p.-operations.

Directors: Harold Schwartz, Gordon Harris, John T. Price, Paul J. Keil.

Business Activities: Owns and operates a chain of retail stores specializing in leisure apparel for men in the 18 to 35 age bracket, located primarily in northern and central California. Merchandise including fashion clothing, sportswear, furnishings and related accessories, has been priced and designed for men in the 18 to 25 age group in Topps & Trowsers, and for the 22-35 age group in The Bank stores.

Transfer Agent(s):

Bank of America, NT & SA
San Francisco, California

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TPTR (NASDAQ)

Number of Stores: (at fiscal year end)

1979	193	1976	112
1978	193	1975	64
1977	160		

Sales and Earnings

	Net Sales	Net Income
1979*	$ 36,368,954	$ (10,747,114)
1978	36,502,483	190,799
1977	29,841,429	1,021,651
1976	22,268,094	998,394
1975	12,670,867	629,903

	No. of Com. Shares ‡	Earn. per Share ‡
1979	2,161,570	$ —
1978	1,753,673	0.11
1977	1,662,580	0.63
1976	1,411,377	0.71
1975	1,260,665	0.50

(Loss)
* 53 weeks.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$ —	2% + 2%	—
1978	0.27	—	—
1977	0.23	50%	—
1976	0.12	—	—
1975	0.07	—	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ (3,872,344)	$ —
1978	6,861,289	3.91
1977	4,718,678	2.91
1976	3,934,948	2.79

(Deficiency)
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Jan. 29	2/3/80 (53 weeks)	1/28/79
Net sales	$ 36,368,954	$ 36,502,483
Cost of sales	21,959,384	18,297,635
Expenses	25,342,389	17,299,434
Interest expense	999,116	876,429
Other income	(157,021)	(63,014)
Income (loss) bef. taxes	$ (11,774,914)	$ 91,999
Tax credit	(1,027,800)	(98,800)
Net Income (Loss)	$ (10,747,114)	$ 190,799

* Included in Costs and Expenses, Depreciation and Amortization: $1,118,877 in 1980 and $950,914 in 1979.

Assets

As of Jan. 29	2/3/80	1/28/79
Cash	$ 4,405,325	$ 2,180,774
Receivables	62,330	275,591
Sale store leases	674,000	
Refund. inc. taxes	736,760	238,796
* Inventories	2,915,927	8,439,863
Prepaid expenses	769,844	307,177
Supplies	281,402	316,493
Current Assets	$ 9,842,588	$ 11,758,694
# Fixed assets	3,172,379	6,994,637
Other assets	432,843	721,576
Total Assets	$ 13,447,810	$ 19,474,907

Liabilities

Notes payable	$ 3,500,000	$ 1,500,000
Long-term debt, curr.	2,490,100	1,193,650
Oblig. under cap. leases, curr.	215,084	398,063
Accts. payable & accruals	7,395,221	4,828,229
Income taxes	—	166,185
Liab. from dispos. of store leases	2,983,503	—
Curr. Liabilities	$ 16,583,908	$ 8,086,127
Long-term debt	15,725	2,294,719
Oblig. under cap. leases	689,280	1,974,323
Deferred inc. taxes	31,241	258,449
+ Common stock	216,168	207,506
Add. paid-in capital	4,231,695	3,969,780
Retained earnings (deficit)	(8,320,207)	2,684,003
Total Liabilities & Shareholders' Equity	$ 13,447,810	$ 19,474,907

* At lower of cost (average method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Sales	—	0.52
%Net Income to Equity	—	2.78
Sales to Inventories	12.47	4.33
Working Capital	—	$ 3,672,567
Current Ratio	—	1.45
Shareholders' Equity (Deficiency)	$ (3,872,344)	$ 6,861,289

Toys "R" Us, Inc.

395 West Passaic Street
Rochelle Park, New Jersey 07662
(201) 845-5033

Officers: Charles Lazarus, chairman of the board, president & chief exec. officer; W. John Devine, exec. v.p.; Seymore Ziv, sr. v.p.-gen. merchandise mgr.; Ronald Tuchman, sr. v.p.-buying; Howard W. Moore, v.p.-buying; Dennis Healey, v.p.-data processing; Norman Ricken, sr. v.p.-finance & treasurer; Brian Devine, v.p.-store operations; Bruce Hall, v.p.-store merchandising; Harold Lane, v.p.-personnel; Michael P. Miller, v.p.-real estate; Lester Yassky, secretary; Nicholas Loizzi, Robert W. Claeson, asst. secretaries.

Directors: Charles Lazarus, chairman of the board; Albert E. Christie, W. John Devine, Milton S. Gould, Helene L. Kaplan, Norman Ricken, Norman M. Schneider, Harold M. Wit, Moses Shapiro.

Business Activities: Operates 85 toy stores and 10 limited line department stores, which sell a wide range of merchandise. Stores are located in California, Illinois, Indiana, Oklahoma, Maryland, Massachusetts, Michigan, New Jersey, New York, Rhode Island, Texas, Virginia and Wisconsin. Department stores are located in New York, Indiana, Michigan, West Virginia and Kentucky.

Transfer Agent(s):

United States Trust Company of New York
130 John Street
New York, New York 10038

Stock Exchange(s): New York

Ticker Symbol: TOY

Number of Retail Units: (at fiscal year end)

1979	95	1978	82

Sales and Earnings

	Net Sales +	Net Income
1980*	$480,317,000	$ 26,897,000
1979	349,099,000	17,208,000
1978	274,267,000	9,669,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	9,601,000	$2.74
1979	9,050,000	1.83
1978	9,050,000	1.00

* 53 weeks.
+ Including leased depts.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reduction in number of shares deemed outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$121,491,000	$12.65
1979	79,310,000†	8.76
1978	43,096,000†	4.76

† After allowing for preferred stock at redemption value.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reduction in number of shares deemed outstanding.

Income Account
(000's)

Year ended	2/3/80 (53 weeks)	1/28/79
Net sales	$ 480,317	$ 349,099
Cost of sales	319,964	234,389
Expenses	101,307	71,740
Depreciation & amortization	5,457	4,658
Interest expense	2,932	2,959
Other income	(2,850)	(176)
Income before taxes	$ 53,507	$ 35,529
Income taxes	26,610	18,321
Net Income	$ 26,897	$ 17,208

* Included in Costs and Expenses, Depreciation and Amortizaiton: $5,457,000 in 1980 and $4,658,000 in 1979.

Toys "R" Us, Inc.

Assets
(000's)

As of	2/3/80	1/28/79
Cash	$ 44,527	$ 41,531
Accts. receiv., net	15,072	11,585
* Inventories	93,193	62,239
Prepaid expenses	1,931	1,730
Current Assets	$ 154,723	$ 117,085
# Fixed assets	54,879	43,908
Prop. under cap. leases	20,887	21,460
Other assets	1,169	1,409
Total Assets	$ 231,658	$ 183,862

Liabilities
(000's)

Long-term debt, curr.	$ 9,764	$ 16,750
Cap. lease oblig., curr.	823	642
Preferred stock to be redeemed	6,023	1,012
Accts. payable	33,039	23,941
Accruals	27,851	14,545
Curr. Liabilities	$ 77,500	$ 56,890
Long-term debt	7,654	16,505
Cap. lease oblig.	25,013	25,195
+ Preferred stock	—	5,962
+ + Common stock	905	913
Add. paid-in capital	80,433	60,242
Retained earnings	44,505	18,155
Treasury stock	(4,352)	—
Total Liabilities & Shareholders' Equity	$ 231,658	$ 183,862

* At lower of cost or market. Toy Stores merchandise is valued at LIFO while dept. store inventories are valued at FIFO.
# Less accumualted depreciation and amortization.
+ $10 par value.
+ + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.14	10.18
%Net Income to Sales	5.60	4.93
%Net Income to Equity	22.14	20.18
Sales to Inventories	5.15	5.61
Working Capital	$ 77,223,000	$ 60,195,000
Current Ratio	2.00	2.06
Shareholders' Equity	$121,491,000	$ 85,272,000

Twin Fair, Inc.

One Twin Fair Corporate Center
355 Harlem Road
West Seneca, New York 14224
(716) 828-1000

Officers: Harold A. Egan, Jr., chairman of the board & chief executive officer; Ralph H. White, president & chief operating officer; John O. Carney, executive v.p.; Kenneth F. Astarita, v.p.-legal; E. Campbell Dean, v.p. & treasurer; Wilbert B. Dubin, v.p.-planning; C. Keith Thompson, v.p. & controller; John J. Nasca, secretary.

Directors: Harold A. Egan, Jr., Louis R. Reif, Charles J. Simons, John J. Nasca, James J. Oddy, Paul L. Snyder, Russell L. Weiss, Ralph H. White.

Business Activities: Engaged in retailing through the operation of twenty-nine Twin Fair discount department stores located in Western New York and Ohio, as well as eight Hens & Kelly department stores in the greater Buffalo, New York area.

Divisions & Subsidiaries:

Twin Fair Distribution Corp.
One Twin Fair Corporate Center
Box 861
Buffalo, New York 14240
(716) 828-1000

Aero Spacelines, Inc.
Santa Barbara, California

Garrison Supply & Service, Inc.
Westfield, New York

Hens & Kelly, Inc.
Buffalo, New York

Twin Fair Properties, Inc.
West Seneca, New York

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: TWN

Number of Stores: (at fiscal year end)

1979	37	1976	29
1978	37	1975	28
1977	28		

Sales and Earnings

	Net Sales ‡	Net Income #
1979	$233,905,000	$ 2,216,000
1978	218,566,000	4,105,000
1977	183,625,000	3,813,000
1976	177,894,000	2,075,000
1975	169,163,000	1,585,000

	No. of Com. Shares	Earn. per Share # †
1979	2,368,414	$0.79
1978	2,391,014	1.58
1977	2,503,414	1.47
1976	2,507,414	0.79
1975	2,507,414	0.63

‡ Including leased departments: of continuing operations.
# Including extraordinary gains of $1,267,000 ($0.52 per share) in 1978, $1,547,000 ($0.62 per share) in 1977, $1,088,000 ($0.43 per share) in 1976 and $648,000 ($0.26 per share) in 1975.
† Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 32,243,000‡	$13.61
1978	30,919,000‡	12.93
1977	27,918,000‡	11.15
1976	24,503,000‡	9.77
1975	22,514,000	8.98

‡ After allowing for preferred stock at redemption value.

Income Account

Year ended Dec. 31	1979	1978
Net sales	$233,905,000	$218,566,000
Cost of sales	162,972,000	152,622,000
Expense	58,602,000	54,001,000
Depreciation & amortization	3,483,000	3,095,000
Interest expense	5,089,000	3,929,000
Income before taxes	$ 3,759,000	$ 4,919,000
Income taxes	1,543	2,081,000
Net Income	$ 2,216,000	$ 2,838,000
Extraord. gain	—	1,267,000
Net Income & extraord. gain	$ 2,216,000	$ 4,105,000

Assets

As of Dec. 31	1979	1978
Cash	$ 3,920,000	$ 3,126,000
Accts. receiv., net	9,481,000	7,576,000
*Inventories	40,494,000	41,539,000
Prepaid expenses	1,655,000	1,189,000
Aircraft assets	—	2,850,000
Current Assets	$ 55,550,000	$ 56,280,000
# Fixed assets	62,271,000	50,853,000
Other assets	1,253,000	1,571,000
Total Assets	$119,074,000	$108,704,000

Liabilities

Notes payable	$ —	$ 1,900,000
Long-term debt, curr.	4,593,000	3,612,000
Accts. payable	20,435,000	25,148,000
Accruals	5,421,000	5,959,000
Advances	3,335,000	—
Income taxes	1,169,000	614,000
Curr. Liabilities	$ 34,953,000	$ 37,233,000
Long-term debt	45,914,000	34,934,000
Deferred inc. taxes	346,000	—
+ Preferred stock:		
$5 cumulative	2,625,000	2,625,000
$6 cumulative	2,993,000	2,993,000
+ + Common stock	2,507,000	2,507,000
Add. paid-in capital	23,030,000	23,030,000
Retained earnings	7,317,000	5,889,000
Treasury stock	(611,000)	(507,000)
Total Liabilities & Shareholders' Equity	$119,074,000	$108,704,000

Less accumulated depreciation and amortization.
* At lower of average cost or market using the retail method.
+ $1 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.61	2.25
%Net Income to Sales	0.95	1.30
%Net Income to Equity	5.85	7.77
Working Capital	$ 20,597,000	$ 19,047,000
Current Ratio	1.59	1.51
Shareholders' Equity	$ 37,861,000	$ 36,537,000

The Unimax Group Inc.

425 Park Avenue
New Yor., New York 10022
(212) 755-8800

Officers: Arthur L. Carter, chairman of the board, Tom Scheinman, president & chief executive officer; Herbert M. Pearlman, chairman of the exec. committee; Jules Martinez, sr. v.p.; John D. Sicher, Jr., v.p. & general counsel; Richard S. Wiesenthal, exec. v.p. & treasurer; Seymour Hertz, secretary; Warren J. Kaplan, v.p. & controller; Peter Giosa, Roland Krohn, v.p.'s.

Directors: Arthur L. Carter, Tom Scheinman, Herbert M. Pearlman, Jules Martinez, Richard S. Wiesenthal, Seymour Hertz, Peter Giosa, Roland Krohn, S. Marcus Finkle, Richard Graham, John Halpern, Peter Hertel, William Lerner, William L. Maxson, Jr., Mark Kaplan.

Business Activities: Through its subsidiary Barry's Jewelers, Inc. operates a chain of retail jewelry stores primarily located in California and Arizona. Also engaged in the design, development, manufacture and sale of mechanical, electronic and electrical components, and electromechanical systems; in graphic arts (photo-engraving, lithography and typography), television and automobile antennas.

Retail Subsidiary:

Barry's Jewelers, Inc.
543 South Broadway
Los Angeles, California 90013

Transfer Agent(s):

Bradford Trust Company
New York, New York 10004

Stock Exchange(s): American, Pacific, Philadelphia

Ticker Symbol: UMX

Number of Stores: (at fiscal year end)

1979	49	1977	35
1978	44	1976	36

Sales and Earnings

	Revenues †	Net Income ‡
1979	$ 80,134,900	$ 4,163,000
1978	68,809,200	5,171,200
1977	59,600,000	3,078,273
1976	41,328,000	2,046,472
1975	31,959,200	1,080,247

	No. of Com. Shares +	Earn. per Share ‡ +
1979	1,754,621	$2.25
1978	1,648,836	3.00
1977	1,391,113	2.01
1976	1,129,623	1.47
1975	1,128,452	0.62

† Of continuing operations only.
‡ Including extraordinary gains of $2,084,400 ($1.19 per share) in 1979, $2,420,300 ($1.47 per share) in 1978, $1,854,730 ($1.33 per share) in 1977, $1,320,000 ($1.17 per share) in 1976 and $699,190 ($0.62 per share) in 1975.
+ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1979	1978
Electrical components group	$ 31,834,000	$ 29,465,000
Metal products mfg. group	8,999,000	7,721,000
Graphic group	19,072,000	17,941,000
Retail group	20,230,000	13,682,000
Total	$ 80,135,000	$ 68,809,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	—
1975	—	—	1-for-3

Income Account

Year ended Dec. 31	1979	1978
Revenues	$ 80,134,900	$ 68,809,200
Cost of sales	45,897,400	39,848,200
Expenses	22,007,600	17,806,200
Interest & debt expense	4,624,500	3,580,900
Depreciation and amortization	2,172,800	1,625,300
Other income	(611,100)	(83,400)
Income before taxes	$ 6,043,700	$ 6,032,000
Income taxes	2,868,200	2,868,000
Inc.-cont. oper.	$ 3,175,500	$ 3,164,000
Loss-discont. oper	(1,096,900)	(413,100)
Net Income	$ 2,078,600	$ 2,750,900
Extraord. gain	2,084,400	2,420,300
Net Income & extraordinary gain	$ 4,163,000	$ 5,171,200

Assets

As of Dec. 31	1979	1978
Cash	$ 3,477,200	$1,752,600
Accts. & notes receiv., net	19,927,400	17,200,700
*Inventories	20,921,700	18,774,300
Prepayment & other assets	712,200	1,027,200
Current Assets	$ 45,038,500	$ 38,754,800
Investments	2,107,400	500,600
# Fixed assets	16,520,400	15,565,200
Other assets	11,858,700	9,596,000
Total Assets	$ 75,525,000	$ 64,416,600

Liabilities

	1979	1978
Notes & revolving loans	$ 10,470,100	$ 2,385,100
Long-term debt, curr.	1,378,800	2,319,000
Accts. payable & accrued expenses	11,130,100	9,450,500
Other liabilities	3,334,500	2,820,500
Curr. Liabilities	$ 26,313,500	$ 16,975,100
Long-term debt	8,362,600	10,514,900
Other liabilities	5,015,100	4,809,200
Conv. subord. debt	18,087,300	18,125,300
+ Preferred stock:		
Series A	1,086,700	1,204,700
Series B	—	977,300
+ + Common stock	1,445,700	1,322,900
Add. paid-in capital	27,835,900	26,944,700
Deficit	(10,978,800)	(14,814,500)
Treasury stock	(1,643,000)	(1,643,000)
Total Liabilities & Shareholders' Equity	$ 75,525,000	$ 64,416,600

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization.
+ $3 par value.
+ + $0.75 par value.

Statistical Summary

%Net Income to Equity	11.71	19.66
Sales to Inventories	3.83	3.67
Working Capital	$ 18,725,000	$ 21,779,700
Current Ratio	1.71	2.28
Shareholders' Equity	$ 17,746,500	$ 13,992,100

Union Camp Corporation

1600 Valley Road
Wayne, New Jersey 07470
(201) 628-9000

Officers: A. Calder, Jr., chairman & chief executive officer; P.J. McLaughlin, president; W.T. Bess, Jr., J.E. Ray III, exec. v.p.'s; K.R. Cole, Jr., A.B. Doran, J.M. Piette, W.H. Trice, sr. v.p.'s; R.W. Boekenheide, W.B. Howes, J.E. Hungerpiller, H.J. Altorfer, R.A. Moore, Jr., W.S.D. Woods, Jr., J.G. McGowin, II, J.D. Mundord, J.H. Neale, T.C. Nevins, Jr., J.M. Reed, C.L. Reynolds, J. Schwartz, R.L. Webb, vice presidents; D.R. Soutendijk, v.p., general counsel & secretary; H.R. Hoss, treasurer; V. Starke Allen, D.W. Barney, C.J. Donovan, asst. treasurers; P.J. Denzler, Jr., R.D. Hartman, J.B. Gardner, asst. comptrollers; T.J. Dillon, R.H. Irving III, E.C. Minor, asst. secretaries.

Directors: Alexander Calder, Jr., chairman of the board; William T. Bess, Jr., Winton M. Blount, R. Manning Brown, Jr., A. Benedict Doran, Mills R. Godwin, Jr., James T. Mills, Horace C. Jones, Richard E. Keresey, Gary E. MacDougal; Peter J. McLaughlin, James M. Piette, John E. Ray, III, W. Paul Stillman, Alvin W. Vogtle, Jr.

Business Activities: Engaged in the production of paper and paperboard; paper finishing products; grocery, multiwall and special bags; corrugated and solid fibre containers; folding cartons and labels; plastic products; packaging machinery and systems; school supplies and stationery; gravure printing; honeycomb products; plywood; lumber; particleboard; chemicals; through its wholly owned subsidiary, Moore Handley, Inc., engaged in the wholesale and retail merchandising of building materials, home improvement supplies and hardware products throughout the Southeast U.S. Moore Handley is comprised of two basic business operations. The Homecrafters Division is a 50 store chain of home improvement centers strategically located throughout six southeastern states. The Wholesale Division consists of a franchise hardware business operated under the Hardware House trade name; as well as an industrial and machine tool business.

Divisions & Subsidiaries:

Moore Handley
Birmingham, Alabama

Branitek, Incorporated
Savannah, Georgia

The Branigar Organization
Geneva, Illinois

Sherwood & James Advertising, Inc.
Wayne, New Jesey

Transtates Properties Incorporated
Savannah, Georgia

Titanium Enterprises (joint venture)
Green Cove Springs, Florida

Cargal Ltd.
Israel

Cartonajes Union, S.A.
Spain

Lafarge Emballage, S.A.
France
Philibert Delastre
France

Union Camp Ireland, Ltd.
Ireland

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

First and Merchants National Bank
Richmond, Virginia

Stock Exchange(s): New York, Pacific

Ticker Symbol: UCC

Number of Stores: (at fiscal year end)

1979	50	1978	48

Sales and Earnings

	Net Sales	Net Income
1979	$1,388,963,000	$151,178,000
1978	1,192,124,000	122,724,000
1977	1,081,653,000	114,664,000
1976	1,002,983,000	118,609,000
1975	835,931,000	88,731,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	24,286,015	$6.22
1978	24,274,650	5.06
1977	24,262,426	4.73
1976	23,881,334	4.97
1975	22,673,006	3.91

‡ Based on the weighted average number of common shares outstanding.

Revenues by Line of Business
(000's)

	1979	1978
Paper & paperboard	$ 506,779	$ 430,340
Packaging prods.	471,146	381,476
Building prods.	103,093	96,200
Chemical	138,859	121,948

Union Camp Corporation

Retail & wholesale dist.	165,939	158,788
Corporate items	3,147	3,372
Total	$ 1,388,963	$ 1,192,124

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.45	–	–
1978	2.10	–	–
1977	1.80	–	–
1976	1.60	–	3-for-2
1975	1.33	–	–

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$887,287,000	$36.53
1978	795,178,000	32.76
1977	722,981,000	29.80
1976	651,309,000	27.27
1975	479,566,000	21.15

‡ Based on the weighted average number of common shares outstanding.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 1,388,963	$ 1,192,124
Other income	15,274	16,665
Total revenue	$ 1,404,237	$ 1,208,789
Cost of sales	917,377	780,034
Expenses	186,542	170,432
Depreciation	65,682	59,566
Interest expense	4,233	9,283
Income before taxes	$ 230,403	$ 189,474
Income taxes	79,225	66,750
Net Income	$ 151,178	$ 122,724

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 4,023	$ 7,299
Short-term invest.	5,795	67,109
Accts. receiv., net	132,586	125,315
* Inventories	135,319	108,571
Short-term timber leases	21,383	14,088
Current Assets	$ 299,106	$ 322,382
Timber cutting rights	12,357	14,929
Investments & advances	64,620	65,601
# Fixed assets	1,046,518	831,183
Other assets	16,986	10,779
Total Assets	$ 1,439,587	$ 1,244,874

Liabilities
(000's)

Long-term debt, curr.	$ 12,814	$ 9,795
Short-term bank loans	35,000	–
Accts. payable & accruals	127,501	101,546
Income taxes	26,472	17,977
Curr. Liabilities	$ 201,787	$ 129,318
Payments for timber cutting rights	12,357	14,929
Long-term debt	217,481	208,024
Deferred inc. taxes	120,675	97,425
+ Common stock	25,015	25,015
Add. paid-in capital	127,149	126,853
Retained earnings	743,908	652,229
Treasury stock	(8,785)	(8,919)
Total Liabilities & Shareholders' Equity	$ 1,439,587	$ 1,244,874

* Finished goods and new materials at LIFO; supplies at FIFO or average cost.
# Less accumualted depreciation and cost of company timber.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.59	15.89
%Net Income to Sales	10.88	10.29
%Net Income to Equity	17.04	15.43
Sales to Inventories	10.26	10.98
Working Capital	$ 97,319,000	$193,064,000
Current Ratio	1.48	2.49
Shareholders' Equity	$887,287,000	$795,178,000

Unishops, Inc.

21 Caven Point Avenue
Jersey City, New Jersey 07305
(201) 433-0100

Officers: Herbert I. Wexler, chairman of the board & president; Herman S. Greitzer, vice president, secretary & general counsel; John Kuehn, v.p.-finance & admin.; Lawrence Brustein, treasurer; Harvey A. Goldberg, controller.

Directors: Leon Smith, Mark N. Kaplan, Herman S. Greitzer, John Kuehn, Mitchell W. Rabbino, Herbert I. Wexler, Joseph S. Scher, Louis Carrol, Leon Ruchlamer.

Business Activities: Owns and operates a 10-store Clarkins chain of discount department stores and a 14-store New England chain of speciality stores selling infants, children and young adults apparel. Also operates three leased department divisions in their own stores as well as those owned by others consisting of a Men's and Boy's Wear division, a Domestics, Curtains and Draperies and Bath Shop division, and a Men's, Women's and Children's Shoe division. In addition, operates a sixth division, Paul-Marshall Products, Inc., and importer-distributor to retail establishments of home furnishings and gift products mainly from the Far East.

Division(s):

Unishops, Inc.-Men's and Boys' Wear
Jersey City, New Jersey

Unishops of Clarkins, Inc.
Akron, Ohio

Perry's Shoes, Inc.
Jersey City, New Jersey

Central Textile, Inc.
Jersey City, New Jersey

Paul-Marshall Products, Inc.
Long Beach, California

Youth Centre
Hartford, Connecticut

Marlene Industries Corporation
New York

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Retail Units:

	Men's & Boys'	Discount Dept. Stores	Domestics	Shoes	Children's Specialty Stores
1/26/80	55	10	46	41	15
1/27/79	61	10	49	47	14
1/28/78	67	16	50	50	–
1/29/77	76	16	46	47	–
1/31/76	87	13	48	42	–

Sales and Earnings

	Revenues	Net Income #
1980	$150,807,000	$ 4,104,000
1979	128,016,000	(4,657,000)
1978	127,278,000	927,000
1977	117,770,000	1,313,000
1976*	109,257,000	1,686,000

	No. of Com. Shares	Earn. per Share ‡#
1980	8,771,640	$0.47
1979	8,769,661	–
1978	8,769,863	0.11
1977	8,949,863	0.15
1976*	8,949,863	0.19

(Loss)
* 53 weeks.
‡ Based on the weighted average number of common shares outstanding.
# Including extraordinary gains of $1,853,000 ($0.21 per share) in 1980, $959,000 ($0.11 per share) in 1978, $783,000 ($0.09 per share) in 1977 and $764,000 ($0.09 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 26,107,000	$2.98
1979	22,003,000	2.51
1978	26,652,000	3.04

Income Account
(000's)

Year ended	1/26/80	1/27/79
Net sales	$ 149,566	$ 126,720
Other income	1,241	1,296
Total income	$ 150,807	$ 128,016
Cost of sales	106,599	92,502
Expenses	35,117	30,169
Depreciation & amortization	1,593	1,656
Interest expense	3,036	1,651
Prov. for loss	–	6,133
Nonrecurring charges	175	358
Income (loss) before taxes	$ 4,287	$ (4,453)
Income taxes	2,036	204
Net Income (Loss)	$ 2,251	$ (4,657)
Extraord. gain	1,853	–
Net Income (Loss) & extraord. gain	$ 4,104	$ (4,657)

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 3,708	$ 3,622
Receivables	24,417	3,795
*Inventories	52,799	22,355
Prepaid expenses	1,771	781
Current Assets	$ 82,695	$ 30,553
# Fixed assets	5,143	4,680
Leased prop. under cap. lease	7,996	8,514
Leasehold costs, rent, deps. & other assets	5,104	1,657
Intangibles	4,770	4,896
Total Assets	$ 105,708	$ 50,300

Liabilities
(000's)

Notes payable	$ –	$ 1,000
Long-term debt	5,328	4,658
Accts. payable	14,135	5,373
Accruals	14,682	6,423
Current oblig. under cap. lease	386	356

Curr. Liabilities	$ 34,531	$ 17,810
Long-term debt	34,968	—
Oblig. under cap. lease	10,102	10,487
+Common stock	877	877
Add. paid-in capital	2,660	2,660
Retained earnings	22,570	18,466
Total Liabilities & Shareholders' Equity	$ 105,708	$ 50,300

* At lower of cost or market by the retail method.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.87	—
%Net Income to Sales	1.51	—
%Net Income to Equity	8.62	—
Sales to Inventories	2.83	5.67
Working Capital	$ 48,164,000	$ 12,743,000
Current Ratio	2.39	1.72
Shareholders' Equity	$ 26,107,000	$ 22,003,000

The United States Shoe Corporation

1658 Herald Avenue
Cincinnati, Ohio 45212
(513) 841-4111

Officers: Philip G. Barach, chairman of the board, president & chief executive officer; Ralph O. Smith, executive vice president-shoe retailing; William F. Schmitz, sr. group v.p.-chmn. Men's Div.; Howard N. Platt, sr. v.p.; Robert L. Altman, v.p. & pres., Red Cross Shoe Division; Stephen W. Heller, vice president-president, Wm. Hahn Division; Joseph C. Lamb, vice president & treasurer; Robert P. Reder, v.p. & group controller; Andrew F. Robbins, group v.p.-chairman, Joyce Division; Harry S. Robinson, group v.p.-chairman, Red Cross Shoe Division; Hans Bartneck, v.p.-dir. of research & devel.; Martin Sherman, group v.p. & pres.-Retail Development & Services Div.; Stanley W. Vogel, group v.p. & pres.-U.S. Specialty Retailing, Inc.; Harry Vise, group v.p.-chmn., Texas Boot Division; Thomas H. Voss, v.p.-finance & administration; James J. Crowe, v.p., secretary & gen. counsel, Henry A. Billeter, v.p.- marketing & corp. dev.; Charles E. Carples, v.p.-exec. v.p., U.S. Specialty Retailing, Inc.; Jerome E. Conrad, v.p.-pres., Imperial Adhesives & Chemicals Div.; Edward Klee, v.p. & controller; Louis Neusner, v.p.-merchandising operations; Robert Stix, group v.p.-mfg. & operations; Samuel Robbins, v.p. & dir. merchandise dev.; Donald Ross, v.p.-dir. management info. services; Daniel Berk, v.p.-pres., Selby Div.; Martin Schulman, v.p.-pres., Joyce Div.

Directors: Philip G. Barach, John F. Lebor, Harold O. Toor, Harry Vise, Gilbert Hahn, Jr., Charles E. Carples, William J. Whittaker, Stanley W. Vogel, Daniel G. Ross, Stanley H. Katz.

Business Activities: The Company owns and operates shoe stores and leased departments, specialty stores, and shoe manufacturing facilities. The women's apparel stores operate under the names Casual Corner and August Max. The men's apparel stores are called J. Riggings.

Divisions & Subsidiaries:

Wm. Hahn Co.
7600 Jefferson Avenue
Landover, Maryland 20785
(202) 322-4550

Kushins
1915 Broadway
Oakland, California 94612
(415) 832-3446

August Max
95-24 63rd Road
Rego Park, New York 11374
(212) 274-9055

Cincinnati Shoe Co.
11445 Century Boulevard
Cincinnati, Ohio 45246
(513) 731-2800

Stuart Brooks
403 Fifth Avenue
New York, New York 10016

Casual Corner
107 Phoenix Avenue
Enfield, Connecticut 06082
(203) 741-0771

Specialty Retailing Division
107 Phoenix Avenue
Enfield, Connecticut 06082

J. Riggings
1018 Perimeter Mall
4400 Ashford Dunwoody Rd.
Atlanta, Georgia 30346
(216) 255-6757

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: USR

Number of Retail Units: (at fiscal year end)

	Shoe Stores	Leased Shoe Depts.	Apparel Stores
1979	139	365	511
1978	127	366	426
1977	140	363	354
1976	144	396	265
1975	165	426	201

Sales and Earnings

	Net Sales	Net Income †
1979	$831,247,761	$ 29,203,000
1978	717,010,356	26,775,000
1977	607,240,000	19,180,000
1976	552,566,605	25,561,000
1975	473,423,783	13,374,000

	No. of Com. Shares	Earn. per Share ‡
1979	6,988,259	$4.16
1978	6,972,461	3.82
1977	6,937,549	2.74
1976	6,949,292	3.67
1975	6,871,008	1.95

† Restated to reflect capitalization of leases.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.40	—	—
1978	1.26	—	—
1977	1.1625	—	—
1976	1.00	—	—
1975	0.95	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$188,252,000	$26.94
1978	168,656,000	24.19
1977	150,244,000	21.66
1976	138,813,000	20.07
1975	119,346,000	17.37

‡ Restated to reflect capitalization of leases.

Income Account*

Year ended	7/28/79	7/29/78
Net sales	$831,247,761	$717,010,356
Cost of sales	538,369,505	462,969,635
Expenses	230,198,261	196,892,812
Oper. profit	$ 62,679,995	$ 57,147,909
Other income	1,012,541	1,102,476
Total	$ 63,692,536	$ 58,250,385
Interest expense	9,441,202	5,824,993
Income before taxes	$ 54,251,334	$ 52,425,392
Income taxes	25,048,000	25,650,000
Net Income	$ 29,203,334	$ 26,775,392

* Included in Costs and Expenses, Depreciation and Amortization: $8,845,494 in 1979 and $7,692,471 in 1978.

Assets

As of	7/28/79	7/29/78 ‡
Cash	$ 2,658,256	$ 4,860,148
Receiv., net	116,266,230	90,470,304
*Inventories	224,358,330	171,377,199
Current Assets	$343,282,816	$266,707,651
# Fixed assets	87,322,096	72,951,105
Other assets	18,688,814	17,407,958
Total Assets	$449,293,726	$357,066,714

Liabilities

Notes payable & long-term debt, curr.	$ 72,013,575	$ 12,913,008
Accts. payable	71,767,432	55,531,379
Accruals	26,789,899	22,889,817
Income taxes	2,694,701	7,497,315
Curr. Liabilities	$173,265,607	$ 98,831,519
Long-term debt	68,711,423	72,433,817
Cap. lease oblig.	8,331,419	9,426,707
Deferred credits	10,733,348	7,718,906
+Common stock	2,329,418	2,324,152
Add. paid-in capital	27,100,226	26,940,188
Retained earnings	158,822,285	139,391,425
Total Liabilities & Shareholders' Equity	$449,293,726	$357,066,714

‡ Restated to reflect capitalization of leases.
* At lower of cost (average or retail method which approximate FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.53	7.31
%Net Income to Sales	3.51	3.73
%Net Income to Equity	15.51	15.88
Sales to Inventories	3.71	4.18
Working Capital	$170,017,209	$167,876,132
Current Ratio	1.98	2.70
Shareholders' Equity	$188,251,929	$168,655,765

United-Overton Corp.

19 Needham Street
Newton Highlands, Massachusetts 02161
(617) 969-7400

Officers: Robert S. Bunshaft, president & treasurer; Michael J. Costello, Robert E. Barash, Jolyon M. Spivack, Edward Vadney, vice presidents; Emanuel J. Bianculli, secretary.

Directors: Emanuel J. Bianculli, Robert S. Bunshaft, Kenneth Germeshausen, Joseph O'Brien, Walter Wekstein, Edward Marden, Melvin Levin.

United-Overton Corp.

Business Activities: Engaged in the operation of licensed departments which operate in discount department stores. These departments sell hardgoods at retail, including housewares, hardware, patio and garden supplies, toys, automotive accessories, paint and paint supplies and Christmas decorations.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Leased Departments: (at fiscal year end)

1980	53	1977	45
1979	55	1976	45
1978	51		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 19,108,749	$ 544,127
1979	17,877,298	1,169,620
1978	15,286,573	728,666
1977	13,644,149	481,155
1976*	11,553,114	247,364

	No. of Com. Shares	Earn. per Share ‡
1980	499,591	$0.97
1979	582,820	1.98
1978	592,320	1.15
1977	645,020	0.75
1976*	645,020	0.38

* 53 weeks.
‡ Including extraordinary gains of $521,263 ($0.88 per share) in 1979, $350,043 ($0.55 per share) in 1978, $225,785 ($0.35 per share) in 1977 and $120,263 ($0.18 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,890,154	$9.79
1979	4,542,773	7.79
1978	3,396,066	5.73
1977	2,772,800	4.30
1976	2,291,645	3.55

Income Account

Year ended	1/26/80	1/27/79
Net sales	$ 19,108,749	$ 17,877,298
Cost of sales	12,890,490	11,793,809
Expenses	5,252,620	4,836,895
Income before taxes	$ 965,639	$ 1,246,594
Income taxes	421,512	598,237
Net Income	$ 544,127	$ 648,357
Extraord. gain	—	521,263
Net Income & extraord. gain	$ 544,127	$ 1,169,620

Assets

As of	1/26/80	1/27/79
Cash	$ 184,202	$ 142,750
Due from licensors	227,671	227,992
Accts. receiv., net	133,252	82,860
Subscrip. receiv.	20,000	
*Inventories	6,211,246	5,692,261
Prepaid expenses	145,844	115,858
Current Assets	$ 6,922,215	$ 6,261,721
# Fixed assets	303,343	324,216
Other assets	33,758	62,464
Total Assets	$ 7,259,316	$ 6,648,401

Liabilities

Notes payable	$ 1,144,021	$ 1,350,619
Accts. payable	505,868	412,081
Accruals	317,035	278,401
Income taxes	373,524	64,527
Curr. Liabilities	$ 2,340,448	$ 2,105,618
Deferred inc. taxes	8,714	—
Minority interest	20,000	—
+ Common stock	645,020	645,020
Add. paid-in capital	544,798	544,798
Retained earnings	4,025,395	3,481,268
Treasury stock	(325,059)	(128,313)
Total Liabilities & Shareholders' Equity	$ 7,259,316	$ 6,648,401

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.05	6.97
%Net Income to Sales	2.85	3.63
%Net Income to Equity	11.13	14.27
Sales to Inventories	3.08	3.14
Working Capital	$ 4,581,767	$ 4,156,103
Current Ratio	2.96	2.97
Shareholders' Equity	$ 4,890,154	$ 4,542,773

Victory Markets Inc.

54 East Main Street
Norwich, New York 13815
(607) 335-4711

Officers: Darryl R. Gregson, president & chief executive officer; Joseph Y. Nishimura, executive v.p. & chief financial officer; Paul T. Panico, sr. v.p.-food operations; Frank L. Powell, v.p. & security secretary; Joseph A. Natoli, v.p.-store operations; Raymond E. Herrington, v.p.-meat operations; Eugene B. Kulakosky, v.p.-grocery sales & procurement; Joseph V. Scotto, v.p.-produce operations; John A. Kemper, v.p.-engineering & construction.

Directors: Charles A. Smith, Frank L. Powell, Everett A. Gilmour, Darryl R. Gregson, Robert G. Boulton, H. William Smith, Jr., Milton F. Lewis, Joseph Y. Nishimura, Charles A. Smith, Jr.

Business Activities: Engaged primarily in the retail distribution of foods and related consumer products through it's retail outlets in central and northern New York and in northeastern Pennsylvania. These stores operate under the names Victory Markets, Great American Food Stores, Value-Way Discount Food Stores and Peter Pumpkin's. The stores are supplied from distribution facilities and a bakery located in Norwich, New York.

Subsidiaries:

Tracy Baking Co.
Dunco Realty & Equipment Co.
U Pump'Em

Transfer Agent(s):

The National Bank & Trust Co. of Norwich
Norwich, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VMKT (NASDAQ)

Number of Stores: (at fiscal year end)

1979	88	1976	77
1978	84	1975	75
1977	91		

Sales and Earnings

	Net Sales	Net Income
1979	$241,614,269	$ 1,037,497
1978	228,584,122	1,120,041
1977	213,685,505	164,651
1976*	173,327,744	1,286,104
1975	159,680,561	1,104,211

	No. of Com. Shares	Earn. per Share #
1979	1,520,348	$0.68
1978	1,520,348	0.74
1977	1,520,348	0.11
1976	1,520,348	0.82
1975	1,620,348	0.68

* 53 weeks.
# Based on the weighted average number of common shares outstanding.

Revenues by Line of Business

	1979	1978	1977	1976
Supermarkets	98.1%	98.6%	99.8%	96.2%
Self-service gasoline stations	1.9	1.4	0.2	3.8
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.20	—	—
1978	—	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 12,427,543	$8.17
1978	11,694,115	7.69
1977	10,574,074	6.69
1976	10,713,493	7.05

Income Account

Year ended	12/29/79	12/30/78
Net Sales	$241,614,269	$228,584,122
Cost of sales	191,278,298	181,249,351
Expenses	43,682,505	41,016,010
Depreciation & amortization	3,510,300	3,215,994
Interest expense	1,527,805	1,305,927
Interest income	(50,136)	(70,201)
Income before taxes	$ 1,665,497	$ 1,867,041
Income taxes	628,000	747,000
Net Income	$ 1,037,497	$ 1,120,041

Assets

As of	12/29/79	12/30/78
Cash	$ 506,845	$ 233,147
Accts. receiv., net	1,396,488	1,008,111
*Inventories	12,766,529	13,891,725
Prepaid exp. & other assets	1,492,168	1,540,464
Refundable inc. taxes	201,448	156,617
Current Assets	$ 16,363,478	$ 16,830,064
# Fixed assets	22,234,535	21,574,253
Other assets	486,526	333,700
Total Assets	$ 39,084,539	$ 38,738,017

Liabilities

Long-term debt, curr.	$ 1,667,224	$ 1,419,492
Cap. lease oblig. curr.	254,283	246,228
Acct. payable & accruals	10,606,866	11,101,889
Accrued payroll	666,422	701,151
Income taxes	—	561,392
Curr. Liabilities	$ 13,194,795	$ 14,030,152
Long-term debt	9,305,340	9,743,351
Cap. lease oblig.	3,105,880	2,505,232
Deferred inc. taxes	1,050,981	765,167

+Common stock	810,174	810,174
Add. paid-in capital	2,239,925	2,239,925
Retained earnings	9,752,444	9,019,016
Treasury stock	(375,000)	(375,000)
Total Liabilities & Shareholders' Equity	$ 39,084,539	$ 38,738,017

* At lower of cost (FIFO or retail method) or market; grocery inventories primarily at LIFO.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.69	0.82
%Net Income to Sales	0.43	0.49
%Net Income to Equity	8.35	9.58
Sales to Inventories	18.93	16.45
Working Capital	$ 3,168,683	$ 2,799,912
Current Ratio	1.24	1.20
Shareholders' Equity	$ 12,427,543	$ 11,694,115

Village Super Market, Inc.

733 Mountain Avenue
Springfield, New Jersey 07081
(201) 467-2200

Officers: Nicholas Sumas, chairman of the board; Perry Sumas, president; Salvatore J. Davino, v.p.; James Sumas, v.p. & treasurer; Alex E. Silberman, controller and asst. secretary; George J. Andresakes, general counsel; Robert Sumas, secretary.

Directors: Nicholas Sumas, chairman; Perry Sumas, James Sumas, Alex E. Silberman, George J. Andresakes, Sanford A. Holzer, Robert Sumas, Salvatore J. Davino, John P. Williams.

Business Activities: Operates a chain of Shop-Rite Super Markets located in New Jersey and Pennsylvania.

Transfer Agent(s):

Midlantic Bank
744 Broad Street
Newark, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VLGE (NASDAQ)

Number of Stores: (at fiscal year end)

1979	20	1976	19
1978	22	1975	18
1977	18		

Sales and Earnings

	Net Sales	Net Income †
1979	$232,165,164	$ 1,004,480
1978	206,319,360	1,140,586
1977	168,627,131	762,937
1976	141,473,948	805,214
1975	129,580,619	581,988

	No. of Com. Shares ‡	Earn. per Share †
1979	588,844	$1.71
1978	588,844	1.94
1977	588,844	1.30
1976	588,844	1.37
1975	588,844	0.99

† Including extraordinary gains of $63,000 ($0.11 per share) in 1979 and $142,000 ($0.24 per share) in 1978.
‡ Common stock and Class A common stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.75	—	—
1978	0.45	—	—
1977	0.54	—	—
1976	0.52	—	—
1975	0.64	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 11,364,260	$19.33
1978	10,633,638	18.06
1977	9,639,906	16.37
1976	9,053,195	15.37
1975	8,417,680	14.30

‡ Based on common stock and Class A common stock combined.

Income Account

Year ended	7/28/79	7/29/78
Net sales	$232,165,164	$206,319,360
Cost of sales	187,367,184	166,991,180
Expenses	40,662,670	35,568,970
Depreciation & amortization	1,826,018	1,571,600
Interest expense	630,957	631,635
Income before taxes	$ 1,678,335	$ 1,555,975
Income taxes	646,821	501,519
Minority interest	90,034	55,870
Net Income	$ 941,480	$ 998,586
Extraord. gain	63,000	142,000
Net Income & extraord. gain	$ 1,004,480	$ 1,140,586

Assets

As of	7/28/79	7/29/78
Cash	$ 734,598	$ 1,000,672
Receiv., net	1,004,094	427,174
*Inventories	6,665,951	6,295,657
Prepaid expenses	325,074	211,572
Current Assets	$ 8,729,717	$ 7,935,075
Investments	1,738,026	1,775,663
#Fixed assets	12,571,510	13,316,907
Notes receiv.	708,457	725,275
Other assets	393,088	446,171
Intangibles	3,341,165	3,518,274
Total Assets	$ 27,481,963	$ 27,717,365

Liabilities

Long-term debt, curr.	$ 1,697,692	$ 1,626,663
Accts. payable & accruals	7,538,639	6,598,456
Income taxes	77,508	32,657
Curr. Liabilities	$ 9,313,839	$ 8,257,776
Notes & mortg. payable	6,137,313	8,368,190
Minority interest	150,051	30,261
Deferred inc. taxes	516,500	427,500
+Common stock	163,172	163,172
+Class A common stock	131,250	131,250
Add. paid-in capital	1,234,399	1,234,399
Retained earnings	9,865,439	9,104,817
[illegible]	(30,000)	—
Total Liabilities & Shareholders' Equity	$ 27,481,963	$ 27,717,365

* Perishables, at (FIFO) cost; grocery, dairy and non-foods at retail less departmental gross profit mark-ups.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.72	0.75
%Net Income to Sales	0.41	0.48
%Net Income to Equity	8.28	9.39
Sales to Inventories	34.83	32.77
Shareholders' Equity	$ 11,364,260	$ 10,633,638

Volume Merchandise, Inc.

75 Ninth Avenue
New York, New York 10011
(212) 924-6585

Officers: Philip Wise, chairman of the board; John Colletti, president & treasurer; Margaret Hale, v.p.-store operations, Southeast; Morris Rayburn, v.p.-store planning & construction; Gloria Yellin, secretary.

Directors: Philip Wise, chairman; John Colletti, Joseph R. Cesare, Arthur L. Sullivan; Hans U. Wydler, William Rifkin.

Business Activities: Operates conventional retail stores, discount department stores and leased departments which sell women's, men's, children's, and infants' wearing apparel and accessories in the popular price field. The conventional stores operate principally under the trade name "Wise Fashions". The conventional stores are located in 18 states, with the greatest concentration in North Carolina, Texas and California. Also operates 11 leased departments, moe than half of which are located in California. Operates five discount stores running the apparel department in these stores itself and leasing the other departments to unaffiliated concerns.

Transfer Agent(s):

American Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: VLN

Number of Stores: (at fiscal year end)

	Conventional Stores	Leased Depts.	Discount Stores
1980	135	11	5
1979	128	12	4
1978	112	16	4
1977	114	18	4

Sales and Earnings

	Net Sales ‡	Net Income #
1980	$ 38,693,669	$ 2,255,606
1979	34,543,533	1,909,780
1978	31,275,395	716,567
1977	32,616,746	454,650
1976	34,856,697	1,231,699

	No. of Com. Shares	Earn. per Share + #
1980	1,297,212	$1.65
1979	1,435,646	1.33
1978	1,439,171	0.49
1977	1,464,672	0.28
1976	2,309,497	0.53

‡ Of continuing operations only.
# Including extraordinary gains of $1,015,000 ($0.74 per share) in 1980, $903,000 ($0.63 per share) in 1979, $346,000 ($0.24 per share) in 1978, $218,000 ($0.13 per share) in 1977, and $727,000 ($0.31 per share) in 1976.
+ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.125	—	—
1979	0.125	—	—
1978	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 12,850,340	$9.91
1979	11,484,129	8.00
1978	9,772,221	6.79
1977	9,248,721	6.31
1976	10,169,649	4.40

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 38,693,669	$ 34,543,533
Other income	1,429,099	1,287,049
Total Income	$ 40,122,768	$ 35,830,582
Cost of sales	27,321,427	24,398,140
Expenses	10,999,433	9,669,588
Interest income	(270,463)	(208,446)
Other income	(308,235)	(109,480)
Income before taxes	$ 2,380,606	$ 2,080,780
Income taxes	1,140,000	1,074,000
Net Income	$ 1,240,606	$ 1,006,780
Extraord. gain	1,015,000	903,000
Net Income & extraord. gain	$ 2,255,606	$ 1,909,780

* Included in Costs and Expenses, Depreciation and Amortization: $658,943 in 1980 and $548,465 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 1,553,883	$ 938,502
Marketable securities	2,400,000	3,700,000
Accts. receiv., net	1,683,913	1,205,349
*Inventories	6,951,978	5,929,058
Prepaid expenses	102,335	125,558
Other assets	148,258	191,961
Current Assets	$ 12,840,367	$ 12,090,428
≠Fixed assets	3,600,655	2,268,339
Other assets	357,188	266,514
Total Assets	$ 16,798,210	$ 14,625,281

Liabilities

Accts. payable	$ 2,517,441	$ 1,964,127
Long term debt, curr.	10,669	10,290
Accruals	704,531	403,792
Other taxes	155,173	163,991
Other liabilities	421,656	443,257
Curr. Liabilities	$ 3,809,470	$ 2,985,457
Long-term debt	26,400	37,073
Deferred income	112,000	118,622
+Common stock	139,722	153,565
Add. paid-capital	19,868,527	20,744,079
Deficit	(6,850,724)	(9,106,330)
Treasury stock	(307,185)	(307,185)
Total Liabilities & Shareholders' Equity	$ 16,798,210	$ 14,625,281

* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation.
+ $0.10 par value:

Statistical Summary

%Income bef. Taxes to Sales	6.15	6.02
%Net Income to Sales	3.21	2.91
%Net Income to Equity	9.65	8.77
Sales to Inventories	5.57	5.83
Working Capital	9 9,030,897	$ 9,104,971
Current Ratio	3.37	4.05
Shareholders' Equity	$ 12,850,340	$ 11,484,129

Vornado, Inc.

174 Passaic Street
Garfield, New Jersey 07026
(210) 773-4000

Officers: Frederick Zissu, chairman of the board and chief executive officer; Steven Roth, chairman of the executive committee; Seymour Karch, exec. v.p. & chief operating officer; John H. Gerbeth, v.p.-finance & asst. to the chmn. of the board; Gary E. Hubschman, senior vice president; D. Michael Stewart, v.p. & gen. merchandise mgr; Thomas H. Seiler, secretary & general counsel.

Directors: Frederick Zissu*, chairman; Stanley Simon*, David M. Mandelbaum*, Steven Roth*, Ronald G. Targan, Russell B. Wight, Jr.*, Sherman A. Rinkel, John H. Gerbeth.

* Member of Executive Committee.

Business Activities: Operates principally a chain of retail discount department stores under the "Two Guys" name, and three Sutton Place catalogue stores in New Jersey. The Two Guys chain consists of 48 stores in New Jersey, California, Connecticut, Maryland, Massachusetts, New York and Pennsylvania.

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: VNO

Number of Stores: (at fiscal year end)

1980	51	1977	140
1979	63	1976	129
1978	63		

Sales and Earnings

	Net Sales	Net Income
1980	$705,790,000	$ (750,000)
1979	675,226,000	10,658,000
1978	933,622,000	(10,560,000)
1977	946,510,000	38,000
1976*	975,236,000	5,820,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	5,306,131	$ —
1979	5,565,291	1.92
1978	5,514,727	—
1977	5,479,946	0.01
1976	5,546,904	1.05

(Loss)
* 53 weeks.
‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.45	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$146,067,000	$27.53
1979	148,466,000	26.68
1978	140,706,000	25.51
1977	150,534,000	27.47
1976	149,673,000	26.98

‡ Based on average number of shares outstanding.

Income Account
(000's)

Year ended	1/26/80	1/27/79
Net sales	$ 705,790	$ 675,226
Other income	21,400	21,635
Total income	$ 727,190	$ 696,861
Cost of sales	498,653	479,262
Expenses	221,133	211,674
Interest expense	8,814	8,652
Gain on sales of assets	—	(19,210)
Income (loss) before taxes	$ (1,410)	$ 16,483
Income taxes (credit)	(660)	5,825
Net Income (Loss)	$ (750)	$ 10,658

* Included in Costs and Expenses, Depreciation and Amortization: $10,715,000 in 1979 and $10,177,000 in 1978.

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 896	$ 9,019
Marketable securities	26,840	10,008
Accts. receiv., net	11,819	9,519
Fed. income taxes receiv.	700	—
*Inventories	92,989	90,099
Prepaid expenses	4,156	3,650
Current Assets	$ 137,400	$ 122,295
≠Fixed assets	162,700	156,530
Other assets	3,528	28,844
Total Assets	$ 303,628	$ 307,669

Liabilities
(000's)

Long-term debt, curr. and lease oblig.	$ 3,962	$ 3,787
Accts. payable	51,869	44,318
Income taxes	343	5,125
Curr. Liabilities	$ 56,174	$ 53,230
Non-curr. and lease oblig.	101,227	10[illegible],060
Deferred inc. taxes	160	913
+Common stock	277	277
Add. paid-in capital	62,212	62,063
Retained earnings	97,225	100,366
Treasury stock	(13,647)	(14,240)
Total Liabilities & Shareholders' Equity	$ 303,628	$ 307,669

* At lower of cost (LIFO) or market.
≠ Less accumulated depreciation.
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.44
%Net Income to Sales	—	1.58
%Net Income to Equity	—	7.18
Sales to Inventories	7.59	7.49
Working Capital	$ 81,226,000	$ 69,065,000
Current Ratio	2.45	2.30
Shareholders' Equity	$146,067,000	$148,466,000

Waldbaum, Inc.

Hemlock Street and Boulevard Avenue
Central Islip, New York 11722
(516) 582-9300

Officers: Ira Waldbaum, president; David Karin, sr. v.p.-administration; Isador Bernstein, v.p.-construction & engineering; Ernest Brown, v.p.-sales & merchandising; Jack Kaufman, v.p.-finance; Melvin Levy, v.p.-industrial relations; Joseph Senitt, v.p.-grocery buying; George

Brown, v.p.-store operations; Martin Krichmar, v.p.-produce; Stanley Lang, v.p.-store operations; Alfred Leffel, v.p.-frozen foods; Frank Bzezinski, v.p.-meat; Dominic Piccininni, v.p.-safety & claims; Morris Pitt, v.p.-appetizing; Sidney Zukerman, v.p.-advertising; Julia Waldbaum, secretary; Irving Leffel, treasurer.

Directors: Ira Waldbaum, Julia Waldbaum, Irving Leffel, Philip Greene, Kenneth Gordon.

Business Activities: Operates a chain of Waldbaum's Supermarkets in Brooklyn, The Bronx, Staten Island, Queens, Nassau, Suffolk, Westchester, Rockland, Ulster, and Sullivan counties in New York State and in Connecticut; also operates Food Mart Supermarkets in Connecticut and Massachusetts.

Division(s):

Food Mart Division
Holyoke, Massachusetts

Transfer Agent(s):

Citibank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WALD (NASDAQ)

Number of Stores: (at fiscal year end)

1979	136	1976	126
1978	129	1975	120
1977	127		

Sales and Earnings

	Net Sales	Net Income +
1979	$1,103,443,000	$ 7,827,000
1978	941,479,000	7,016,000
1977	826,337,000	6,110,000
1976	744,793,000	5,599,000
1975*	685,336,000	6,790,000

	No. of Com. Shares	Earn. per Share ≠ +
1979	2,461,000	$3.18
1978	2,396,000	2.84
1977	2,327,000	2.48
1976	2,260,000	2.27
1975*	2,195,000	2.75

* 53 weeks.
≠ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.
+ Including extraordinary credit of $414,000 ($0.19 per share) in 1975.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	–	3%	–
1978	–	3%	–
1977	–	3%	–
1976	–	3%	–
1975	–	3%	–

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 65,473,000	$26.60
1978	57,727,000	23.39
1977	50,719,000	20.55
1976	44,615,000	18.08
1975	39,022,000	15.81

‡ Adjusted to reflect stock dividends.

Income Account*
(000's)

Year ended	12/29/79	12/30/78
Net sales	$ 1,103,443	$ 941,479
Cost of sales	878,400	750,039
Expense	210,044	176,260
Interest expense	4,547	4,453
Other income	(3,325)	(3,019)
Income before taxes	$ 13,777	$ 13,746
Income taxes	5,950	6,730
Net Income	$ 7,827	$ 7,016

* Included in Costs and Expenses, Depreciation: $8,624,000 in 1979 and $7,179,000 in 1978.

Assets
(000's)

As of	12/29/79	12/30/78
Cash	$ 5,307	$ 7,716
U.S. Treas. bills	13,458	20,919
Receiv., net	4,657	4,999
*Inventories	53,011	42,389
Prepaid expenses & other assets	1,592	1,269
Current Assets	$ 78,025	$ 77,292
≠ Fixed assets	104,672	80,159
Other assets	4,062	4,054
Total Assets	$ 186,759	$ 161,505

Liabilities
(000's)

Long-term debt, curr.	$ 809	$ 1,476
Cap. lease oblig., curr.	2,517	2,375
Accts. payable	40,349	33,627
Accruals & other liabilities	18,959	15,921
Income taxes	1,293	1,128
Curr. Liabilities	$ 63,927	$ 54,527
Long-term debt	15,829	12,028
Oblig. under cap. lease	41,530	37,223
+ Common stock	2,491	2,420
Add. paid-in capital	10,105	9,329
Retained earnings	53,193	46,221
Treasury stock	(316)	(243)
Total Liabilities & Shareholders' Equity	$ 186,759	$ 161,505

* At LIFO.
≠ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	1.25	1.46
% Net Income to Sales	0.71	0.75
% Net Income to Equity	11.95	12.15
Sales to Inventories	20.82	22.21
Working Capital	$ 14,098,000	$ 22,765,000
Current Ratio	1.22	1.42
Shareholders' Equity	$ 65,473,000	$ 57,727,000

Walgreen Co.

200 Wilmot Road
Deerfield, Illinois 60015
(312) 948-5000

Officers: Charles R. Walgreen III, chairman & chief exec. officer; Fred F. Canning, president & chief operating officer; Charles D. Hunter, executive v.p. & chief financial officer; H. Richard Drews, sr. v.p.-human resources; Norman B. Krone, sr. v.p.-physical resources; James A. Davlin, v.p. & treasurer; Glenn S. Kraiss, v.p.-Drug Store Operations; John B. Seastone, v.p.-Food Services Div.; John R. Brown, v.p. distribution, mfg. agency; Vernon A. Brunner, v.p.-mktg.; William O. Shank, v.p., gen. counsel & corp. secretary; L. Alan Crotty, v.p.-administration; Roger L. Polark, controller; Joseph M. Lay, gen. auditor; Joel H. Levin, Emily Koulogeorge, Julian A. Oettinger, asst. secretaries; Colette Hannan, Richard C. Hildebrandt, asst. treasurers; John F. Richter, Raymond W. Wirsing, Rudolph J. Macejak, asst. controllers.

Directors: C.R. Walgreen III, J.E. Jeuck, J. Mitchell, A.C. Nielsen, Jr., M.R. Kephart, W.E. Cohen, C.D. Hunter, F. F. Canning, William C. Musham, Leo H. Schoenhofen.

Business Activities: Operates a chain of 688 Walgreen drug stores, 37 separate restaurants, and manufacturing facilities for the production of health, beauty and household products. Also operates an international travel service and photo processing facilities. Engaged in franchising over 1,400 independently-owned Walgreen Agency drug stores selling Walgreen laboratory products.

Division(s):

Drug Store Division
Food Service Division
Agency Division
Manufacturing Division
Photo Processing Studios
International Travel Service

Affiliate(s):

Sanborn Hermanos, S.A. (44.5% owned)
SANTEPEC, S.A. (40.7%)

Operates 20 Sanborns Dept. Stores and restaurants in Mexico City, Acapulco, Monterrey and Puebla, Mexico, plus candy, drug and toiletry manufacturing, as well as wholesaling operations.

Schnucks-Walgreens
Cape Girardeau, Missouri
Evansville, Indiana
Ft. Smith, Arkansas

Operates 4 combination supermarket/drug stores on an equal partnership basis.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Midwest

Ticker Symbol: WAG

Number of Stores‡: (at fiscal year end)

1979	956	1976	938
1978	926	1975	946
1977	924		

‡ Includes restaurants.

Sales and Earnings

	Net Sales ≠	Net Income
1979	$1,344,542,000	$ 30,293,000
1978	1,192,855,000	24,033,000
1977	1,066,017,000	15,279,000
1976	1,010,396,000	14,452,000
1975*	934,232,000	9,528,000

	No. of Com. Shares	Earn. per Share ‡
1979	6,688,331	$4.54
1978	6,663,853	3.61
1977	6,650,055	2.30
1976	6,645,362	2.18
1975*	6,642,985	1.44

≠ Of continuing operations only.
* 11 months.
‡ Based on weighted average number of shares outstanding during the year.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.375	–	–
1978	1.175	–	–
1977	1.10	–	–
1976	1.00	–	–
1975	1.00	–	–

Walgreen Co.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$175,248,000	$26.20
1978	153,482,000	23.03
1977	136,913,000	20.59

Income Account*
(000's)

Year ended Aug. 31	1979	1978
Net sales	$ 1,344,542	$ 1,192,855
Cost of sales	943,880	833,678
Expenses	348,677	312,763
Other income	(7,775)	(6,089)
Interest expense	6,507	6,425
Income before taxes	$ 53,253	$ 46,078
Income taxes	22,960	20,282
Income from cont. oper.	$ 30,293	$ 25,796
Loss from discont. oper.	—	(1,763)
Net Income	$ 30,293	$ 24,033

* Included in Costs and Expenses. Depreciation and Amortization: $11,728,000 in 1979 and $10,452,000 in 1978.

Assets
(000's)

As of Aug. 31	1979	1978
Cash	$ 11,822	$ 19,293
Marketable securities	45,850	43,875
Accts. receiv., net	18,050	20,119
*Inventories	187,584	157,578
Net curr. assets of discon. oper.	—	2,120
Other assets	6,145	8,590
Current Assets	$ 269,451	$ 251,575
Investments	10,771	8,936
# Fixed assets	94,144	82,526
Prop. under cap. leases	27,984	16,223
Net non-curr. assets of discon. oper.	—	442
Total Assets	$ 402,350	$ 359,702

Liabilities
(000's)

	1979	1978
Long-term debt, curr.	$ 550	$ 521
Accts. payable	60,004	54,826
Accruals	50,196	43,230
Dividends payable	2,340	2,165
Income taxes	9,945	10,874
Maturities of oblig. under cap. leases	2,382	1,285
Est. future liab. of discon. oper.	3,666	4,977
Curr. Liabilities	$ 129,083	$ 117,878
Long-term debt	57,515	58,065
Deferred inc. taxes	14,024	12,808
Oblig. under cap. lease	26,480	17,469
+ Common stock	29,569	28,908
Retained earnings	145,679	124,574
Total Liabilities & Shareholders' Equity	$ 402,350	$ 359,702

* At lower of cost (valued on a LIFO basis).
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.96	—
%Net Income to Sales	2.25	—
%Net Income to Equity	17.29	15.66
Sales to Inventories	7.17	7.57
Working Capital	$140,368,000	$133,697,000
Current Ratio	2.09	2.13
Shareholders' Equity	$175,248,000	$153,482,000

Walker-Scott Corporation

908 Sherman Street
P.O. Box 85500
San Diego, California 92138
(714) 291-6800

Officers: Robert J. Dicker, president & chief executive officer; Boyd E. Alvord, senior executive vice president & chief financial officer & secretary; Barry P. Knudson, executive vice president, assistant secretary & general manager; Priscilla C. Simms, vice president-personnel; Paul H. Howard, vice president-advertising & promotion; Leonard Villavicencio, vice president & general merchandise manager.

Directors: Barry P. Knudson, Vincent T. Godfrey, Robert Breitbard, Boyd E. Alvord, Harry V. Green, Nelson B. Gross, Robert J. Dicker, Pascal Dilday.

Business Activities: Operates department stores and specialty stores in southern California.

Transfer Agent(s):

California First Bank
San Diego, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WLKS (NASDAQ)

Number of Stores: (at fiscal year end)

1980	12	1977	12
1979	12	1976	12
1978	12		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 45,158,349	$ 1,235,441
1979	43,279,793	1,3[illegible],615
1978	39,627,273	1,008,431
1977	37,146,666	231,580
1976	35,632,608	81,546

	No. of Com. Shares	Earn. per Share
1980	424,145	$2.64
1979	533,645	2.58
1978	533,645	1.89
1977	531,705	0.44
1976	531,145	0.15

‡ Includes leased departments.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 7,116,896	$16.78
1979	7,726,761	14.48
1978	6,615,968	12.40
1977	5,607,537	10.51
1976	5,366,282	10.10

Income Account*

Year ended Jan. 31	1980	1979
Net sales	$45,158,349	$ 43,279,793
Lease dept. sales	3,357,330	3,398,275
Total income	$ 41,801,019	$ 39,881,518
Cost of sales	28,786,458	27,382,497
Expenses	9,514,425	8,771,640
Interest & long-term debt expense	1,072,540	901,476
Gain on 6¼% debent.	(25,845)	(81,710)
Income before taxes	$ 2,453,441	$ 2,907,615
Income taxes	1,218,000	1,530,000
Net Income	$ 1,235,441	$ 1,377,615

* Included in Costs and Expenses. Depreciation and Amortization: $606,735 in 1980 and $584,645 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 282,024	$ 660,938
Accts. & notes receiv., net	9,113,840	9,344,299
*Inventories	7,973,019	7,777,623
Prepaid expenses	653,244	717,036
Current Assets	$ 18,022,127	$ 18,499,896
# Fixed assets	3,127,491	2,956,148
Prop. held for devel.	3,683,243	—
Defer. charges & other assets	342,754	284,145
Total Assets	$ 25,175,615	$ 21,740,189

Liabilities

	1980	1979
Bank borrowings	$ 4,863,636	$ 3,149,622
Long-term debt, curr.	989,614	179,847
Accts. payable	2,823,281	2,406,882
Inc. taxes payable	405,547	1,161,626
Accruals	1,052,732	1,367,200
Deferred inc. taxes	2,571,267	2,409,267
Curr. Liabilities	$ 12,706,077	$ 10,674,444
Long-term debt	5,352,642	3,338,984
+ Common stock	424,145	533,645
Add. paid-in capital	2,186,327	2,751,347
Retained earnings	4,506,424	4,441,769
Total Liabilities & Shareholders' Equity	$ 25,175,615	$ 21,740,189

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.43	6.72
%Net Income to Sales	2.74	3.18
%Net Income to Equity	17.36	17.83
Working Capital	$ 5,316,050	$ 7,825,452
Current Ratio	1.42	1.73
Shareholders' Equity	$ 7,116,896	$ 7,726,761

Wal-Mart Stores, Inc.

702 SW 8th Street
P.O. Box 116
Bentonville, Arkansas 72712
(501) 273-4000

Officers: Sam M. Walton, chairman of the board & chief executive officer; Ferold G. Arend, vice chairman, president & chief operating officer; David D. Glass, executive v.p.-finance; James L. Walton, sr. v.p., S. Robson Walton, sr. v.p., secretary & general counsel; Claude Harris, sr. v.p.-marketing; Donald G. Soderquist, sr. v.p.-administration & distribution; Thomas Jefferson, sr. v.p.-operations; A.L.

Johnson, sr. v.p. -merchandise & sales; B.D. Adams, v.p. -Region #1; Don M. Bailey, v.p. -division merchandise mgr., hardlines; Keith R. Binkelman, v.p. -merchandise planning; Paul R. Carter, v.p. -special divisions; Thomas M. Coughlin, v.p. -loss prevention; Larry W. Dimmit, v.p. -division merchandise mgr., softlines; Billy D. Durflinger, v.p., division merchandise mgr., hardlines; Bill Fields, v.p. -merchandise systems; Kenneth Folkerts, v.p. & treasurer; H. "Mac" Gammon, v.p. -Region #5; Gale M. Gore, v.p. -division merchandise mgr., hardlines; Glean L. Habern, v.p. -data processing; Robert L. Hart, v.p. -new store planning; Richard A. Jolosky, v.p., general merchandise mgr., softlines; Ronald L. Loveless, v.p., general merchandise mgr., hardlines; A.L. Miles, v.p. -Region #2; Gary D. Reinboth, v.p. -Region #4; H.G. Rountree, v.p. -corp. & public affairs; Dean L. Sanders, v.p. -fashion distribution; Thomas P. Seay, v.p. -real estate; Harve Taylor, v.p. -construction & engineering; D. Ray Thomas, v.p. -Region #3; R.B. Thornton, v.p. -distribution; Colon Washburn, v.p. -division merchandise mgr., softlines; David Washburn, v.p. -personnel administration; Charles E. Self, controller; Bette Hendrix, Kay Vandever, asst. secretaries; Daniel L. Davies, Ruby Norman Davies, asst. controllers.

Directors: Sam M. Walton, chairman of the board; Ferold G. Arend, vice chairman; James L. Walton, David D. Glass, Jack Shewmaker, James H. Jones, J.R. Hyde, III, Sidney A. McKnight, S. Robson Walton.

Business Activities: Operates retail stores in Alabama, Missouri, Kansas, Oklahoma, Tennessee, Arkansas, Illinois, Louisiana, Texas, Kentucky and Mississippi; discount department stores operated under the name of Wal-Mart Discount City.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: WMT

Number of Stores: (at fiscal year end)

1980	276	1977	153
1979	229	1976	125
1978	195		

Sales and Earnings

	Net Sales	Net Income
1980	$1,248,176,000	$ 41,151,000
1979	900,298,000	29,447,000
1978	678,456,000	21,191,000
1977	478,807,000	16,039,000
1976	340,331,000	11,132,000

	No. of Com. Shares #	Earn. per Share ‡
1980	15,121,261	$2.68
1979	15,079,383	1.93
1978	14,867,711	1.48
1977	13,649,829	1.15
1976	13,418,063	0.80

‡ Based on average number of shares outstanding adjusted to reflect stock split.
# Adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$0.30	–	–
1979	0.22	–	–
1978	0.16	–	–
1977	0.085	–	–
1976	0.065	–	2-for-1

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$164,844,000	$10.90
1979	127,476,000	8.45
1978	96,482,000	6.49
1977	64,417,000	4.72
1976	47,195,000	3.52

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 1,248,176	$ 900,298
Other income	10,092	9,615
Total income	$ 1,258,268	$ 909,913
Cost of sales	919,305	661,062
Expenses	251,616	182,365
Interest & debt expense	13,059	9,714
Income before taxes	$ 74,288	$ 56,772
Income taxes	33,137	27,325
Net Income	$ 41,151	$ 29,447

* Included in Costs and Expenses, Depreciation: $12,938,000 in 1980 and $9,293,000 in 1979.

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 5,090	$ 10,964
Marketable securities	–	893
Receiv., net	7,806	5,398
Recov. costs from sale	15,557	–
*Inventories	235,315	172,640
Prepaid expenses	2,849	1,965
Current Assets	$ 266,617	$ 191,860
#Fixed assets	98,760	62,763
Prop. held under cap. leases	91,802	68,640
Other assets & defer. charges	700	655
Deferred inc. taxes	–	748
Total Assets	$ 457,879	$ 324,666

Liabilities
(000's)

Notes payable	$ 25,080	$ 550
Long-term debt, curr.	2,314	1,700
Oblig. under cap. leases, curr.	2,704	2,477
Accts. payable	100,102	65,001
Accruals	15,148	6,933
Accrued payroll	12,889	7,759
Income taxes	5,365	9,729
Other taxes	6,619	4,719
Curr. Liabilities	$ 170,221	$ 98,868
Long-term debt	24,862	25,965
Cap. lease oblit.	97,212	72,357
+Common stock	1,512	1,508
Add. paid-in capital	35,064	34,322
Retained earnings	128,268	91,646
Total Liabilities & Shareholders' Equity	$ 457,879	$ 324,666

* At cost (LIFO) not in excess of market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Incomebef. Taxes to Sales	5.95	6.31
Net Income to Sales	3.30	3.27
%Net Income to Equity	24.96	23.10
Sales to Inventories	5.30	5.21
Working Capital	$ 96,396,000	$ 92,992,000
Current Ratio	1.57	1.94
Shareholders' Equity	$164,844,000	$127,476,000

Wards Company, Inc.

2040 Thalbro Street
Richmond, Virginia 23230
(804) 257-4292

Officers: S. S. Wurtzel, chairman of the board; Alan L. Wurtzel, president & chief executive officer; William D. Rivas, exec. v.p.; Daniel M. Rexinger, sr. v.p.; Edward Villanueva, treasurer; Edward Jaffee, Walter Bruckart, James Gillum, Eugene Koch, vice presidents; Jeffrey S. Loeb, controller; Gertrude M. Gibson, secretary; L.D. Donnelly, Robert Rosenberg, Sheldon Shapiro, Kenneth Antos, Frank Forlano, John Moldovan, asst. v.p.'s.

Directors: Samuel Winokur, S. S. Wurtzel*, Edward Villanueva*, Norman Cohen, Alan L. Wurtzel*, Hyman Meyers, William D. Rivas*, Barry B. Anthony, Daniel M. Rexinger*, Douglas Drysdale.

* Member of Executive Committee.

Business Activities: Sells televisions, appliances, audio and consumer electronic items in its own stores and licensed departments in discount department stores. Electronics, appliance and audio stores operate under the names Circuit City (Washington, D.C., area, Virginia, North Carolina, South Carolina, Georgia, Tennessee and Maryland), Dixie Hi-Fi (North Carolina, South Carolina, Tennessee, Kentucky, Indiana, Ohio and West Virginia). Licensed departments are operated in Zody's Department Stores in California, Arizona and Nevada.

Transfer Agent(s):

United Virginia Bank
Richmond, Virginia

Stock Exchange(s): American

Ticker Symbol: WRD

Number of Stores and Leased Departments:
(at fiscal year end)

1980	75	1977	61
1979	70	1976	70
1978	70		

Sales and Earnings

	Net Sales ‡	Net Income #
1980	$119,609,000	$ 2,286,000
1979*	111,534,000	2,570,000
1978	90,799,000	2,052,000
1977	72,360,000	1,250,000
1976	61,185,000	1,362,000

	No. of Com. Shares†	Earn. per Share † #
1980	753,097	$3.04
1979	754,196	3.41
1978	743,279	2.70
1977	719,183	1.62
1976	681,870	1.88

‡ Includes operating revenues.
# Including extraordinary credits of $70,000 ($0.10 per share) in 1977 and $570,000 ($0.84 per share) in 1976.
† Based on the weighted average number of common shares and common share equivalents outstanding.
* Company changed fiscal year to end February 28. Sales and income for 1979 includes eleven months ended Feb 28, 1979, and March 1-31, 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	–	–
1979	0.05	–	–

Common Stock Equity

	Total Equity	Equity Per Share†
1980	$ 13,027,000	$17.30
1979	10,690,000	14.17
1978	8,362,000	11.25
1977	5,463,000‡	7.60
1976	3,789,820‡	5.56

† Based on the weighted average number of common shares and common share equivalents outstanding.
‡ After allowing for preferred stock: 5-½% convertible, $2.50 convertible series A and $2.50 convertible series C at involuntary liquidation value of $20, $50 per share, respectively.

Income Account *
(000's)

Year ended	2/29/80	2/28/79
Net sales & oper. rev.	$ 119,609	$ 111,534
Cost of sales	88,568	83,157
Expenses	26,105	22,821
Interest expense	740	656
Income before taxes	$ 4,196	$ 4,900
Income taxes	1,910	2,330
Net Income	$ 2,286	$ 2,570

* Included in Costs and Expenses. Depreciation and Amortization: $756,000 in 1980 and $512,000 in 1979.

Assets
(000's)

As of March 31	2/29/80	2/28/79
Cash	$ 2,316	$ 2,790
Accts. receiv., net	2,374	1,100
* Inventories	18,182	15,658
Other assets	877	419
Current Assets	$ 23,749	$ 19,967
# Fixed assets	5,896	4,226
Other assets	739	423
Total Assets	$ 30,384	$ 24,616

Liabilities
(000's)

Long-term debt, curr.	$ 83	$ 60
Accts. payable & accruals	9,587	7,113
Accrued inc. taxes	1,351	1,398
Curr. Liabilities	$ 11,021	$ 8,571
Long-term debt	4,633	3,806
Deferred income taxes	124	243
Deferred revenues	1,579	1,306
+ Common stock	742	719
Add. paid-in capital	2,970	2,797
Retained earnings	9,315	7,174
Total Liabilities & Shareholder's Equity	$ 30,384	$ 24,616

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales and Rev.	3.51	4.39
%Net Income to Sales & Rev.	1.91	2.30
%Net Income to Equity	17.55	24.04
Working Capital	$ 12,728,000	$ 11,396,000
Current Ratio	2.15	2.33
Shareholders' Equity	$ 13,027,000	$ 10,690,000

Weiman Co., Inc.

4801 West Peterson
Chicago, Illinois 60646
(312) 286-1121

Officers: Richard D. Goddard, chairman of the board & president; Ronald Meyers, exec. v.p.; Paul Bohlmann, secretary & treasurer.

Directors: Richard D. Goddard, Ronald Meyers, Peter O. Fetzer, Ronald S. Sheldon.

Business Activities: Manufacturer and distributor of consumer and industrial products primarily in the fields of photography and home furnishings. The photographic group sells photographic and audio visual equipment and supplies, operates film processing and development laboratories and develops negatives, prints slides and film strips. The home furnishing group distributes correlated wallpaper and fabrics, and also operates a retail furniture store. The manufacturing company produces tooling for the automotive industry.

Divisions & Subsidiaries:

Home Furnishings Group
The Weiman Company and Weiman/Warren Lloyd
Ramseur, North Carolina
Christiansburg, Virginia
Paterson, New Jersey

Woodson Wallpapers Company
New York, New York

Lapin Good Housekeeping Shops
Chicago, Illinois

Photographic Group
Standard Photo Supply Company
Chicago, Illinois

Williams, Brown & Earle, Inc.
Philadelphia, Pennsylvania

AGS & R Studios, Inc.
Chicago, Illinois

Gamma Photo Labs, Inc.
Chicago, Illinois

National Photo and Camera Company
Chicago, Illinois

Astra Photo Service, Inc.
Chicago, Illinois

Manufacturing Group
Company Products, Inc.
Warren, Michigan

Transfer Agent(s):

Registrar and Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: WC

Sales and Earnings

	Net Sales +	Net Income
1979	$ 23,657,723	$ (1,808,852)
1978	21,499,166	123,472
1977	19,865,277	(74,504)
1976	17,932,046	404,556
1975	15,946,992	53,500

	No. of Com. Shares‡	Earn. per Share‡
1979	1,007,460	$ –
1978	1,025,472	0.12
1977	1,368,331	–
1976	1,498,473	0.27
1975	1,520,430	0.04

(Loss)
+ Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1979	1978
Home furnishings	$ 3,430,043	$ 3,089,327
Photographic	19,185,781	17,453,818
Manufacturing	1,063,339	1,010,324

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 5,720,808	$5.68
1978	7,750,085	7.56
1977	7,831,058	5.72
1976	9,567,489	6.38
1975	9,207,510	6.06

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$ 23,657,723	$ 21,499,166
Other income	178,680	220,891
Total income	$ 23,836,403	$ 21,720,057
Cost of sales	13,955,523	12,870,121
Expenses	8,220,601	7,596,584
Interest expense	585,251	652,147
Income before taxes	$ 1,075,028	$ 601,205
Income taxes	500,000	297,000
Income-cont. oper.	$ 575,028	$ 304,205
Loss-discont. oper.	(2,383,880)	(180,733)
Net Income (Loss)	$ (1,808,852)	$ 123,472

* Included in Costs and Expenses. Depreciation and Amortization: $560,980 in 1979 and $534,151 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 446,884	$ 302,694
Accts. receiv., net	3,421,875	4,247,295
*Inventories	3,043,030	5,947,917
Prepaid expenses	257,247	394,470
Current Assets	$ 7,169,036	$ 10,892,376
#Fixed assets	2,998,824	4,793,530
Other assets	173,465	250,691
Intangibles	1,294,627	1,333,235
Total Assets	$ 11,635,952	$ 17,269,832

Liabilities

Notes payable	$ 200,000	$ –
Customer deposits	–	140,672
Long-term debt, curr.	655,794	700,445
Accts. payable	933,307	1,273,286
Accruals	633,963	453,825
Employee compensation	559,974	718,669
Income taxes	84,981	121,619
Curr. Liabilities	$ 3,068,019	$ 3,408,516
Long-term debt	2,486,125	5,705,045
Deferred inc. taxes	–	295,000
Deferred comp.	361,000	111,186
+Common stock	2,282,344	2,282,344
Other capital	2,359,899	2,359,899
Retained earnings	6,425,264	8,234,116
Treasury stock	(5,346,699)	(5,126,274)
Total Liabilities & Shareholders' Equity	$ 11,635,952	$ 17,269,832

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Equity	–	1.59
Sales to Inventories	7.77	3.61
Working Capital	$ 4,101,017	$ 7,483,860
Current Ratio	2.34	3.20
Shareholders' Equity	$ 5,720,808	$ 7,750,085

J. Weingarten, Incorporated

600 Lockwood Drive
Houston, Texas 77011
(713) 928-5551

Mailing address:

P.O. Box 1698
Houston, Texas 77001

Officers: Abe Weingarten, chairman of the board; Bernard Weingarten, president; Stanford J. Alexander, president of Corp. Development Div.; Harold M. Falik, president of Retail Div.; Jack Weingarten, president of Manufacturing & Processing Div.; Earl Eden, exec. v.p.-Retail Div.; Virgil L. Reynolds, sr. v.p.-Retail operations; Monroe M. Rochester, sr. v.p.-personnel & industrial relations; H. Edward Reeber, v.p. & controller; Martin Debrovner, v.p.-engineering and construction; Kenward J. Romero, v.p.-Northern Div.; James R. Falik, v.p.-sales & merchandising, Houston Div.; Robert P. Margulies, v.p.-operations, Houston Div.; Josef D. Neuburger, v.p.-Sabine Div.; William E. Ivory, secretary and treasurer.

Directors: Stanford J. Alexander*, S. D. David, Jr., Harold M. Falik*, Milton Goodman, James R. Falik, Stephen A. Lasher, Bernard Weingarten*, Jack Weingarten*, Robert M. Welch, Jr.

* Member of Executive Committee.

Business Activities: Operates retail food stores in Texas, Arkansas and Louisiana, and two Weingarten-Sav Mor discount stores in Houston, Texas.

Subsidiaries:

Bonus Merchandising Corporation
Sells and redeems Big Bonus stamps. Operates 6 stamp redemption centers in Texas.

Sav-Mor Drugs, Inc.
Retail drug stores.

Sav-Mor Drugs or Orange, Inc.
Retail drug stores.

Transfer Agent(s):

Texas Commerce Bank of Houston
Houston, Texas

Chase Manhattan Bank
New York, New York

First City National Bank of Houston
(7¼% subordinate cumulative income debenture)
Houston, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WEIN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	101	1976	105
1978	102	1975	104
1977	105		

Sales and Earnings

	Net Sales	Net Income†
1979	$566,118,000	$ 1,397,000
1978	500,272,000	(3,666,000)
1977	468,512,000	1,717,000
1976*	457,239,000	3,983,000
1975	411,620,000	3,236,000

	No. of Com. Shares	Earn. per Share ‡†
1979	2,265,446	$0.62
1978	2,265,446	–
1977	2,269,591	0.75
1976*	2,290,591	1.73
1975	2,312,666	1.39

(Loss)
* 53 weeks.
† Restated to reflect capitalization of leases.
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$ –	–	–
1978	0.20	–	–
1977	0.50	–	–
1976	0.40	–	–
1975	0.40	–	–

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 27,807,000	$12.27
1978	26,410,000	11.66
1977	30,558,000	13.46
1976	30,116,000	13.15
1975	27,183,000	11.75

‡ Restated to reflect capitalization of leases.

Income Account*
(000's)

Year ended	6/30/79	7/1/78‡
Net sales	$ 566,118	$ 500,272
Other income	730	1,490
Total income	$ 566,848	$ 501,762
Cost of sales	445,720	399,337
Expenses	117,242	106,937
Interest expense	3,562	3,180
Reduction in est. of liabl. for unredeemed trading stamps	(1,500)	–
Income (loss) before taxes	$ 1,824	$ (7,692)
Income taxes (credit)	102	(4,067)
Minority interest	325	41
Net Income (Loss)	$ 1,397	$ (3,666)

* Included in Costs and Expenses, Depreciation and Amortization: $7,510,000 in 1979 and $7,820,000 in 1978.
‡ Restated to reflect capitalization of leases.

Assets
(000's)

As of	6/30/79	7/1/78‡
Cash	$ 2,332	$ 2,284
Cert. of deposit	682	6,549
Marketable securities	3,089	2,655
Receiv., net	3,435	3,022
*Inventories	42,824	39,852
Prepaid expenses	2,728	2,492
Deferred inc. taxes	–	40
Ref. inc. taxes	–	3,078
Current Assets	$ 54,690	$ 59,972
≠Fixed assets	47,854	42,608
Other assets	2,406	2,660
Total Assets	$ 104,950	$ 105,240

Liabilities
(000's)

Long-term debt, curr.	$ 1,062	$ 1,374
Cap. lease oblig., curr.	469	2,676
Acc'ts. payable	19,580	24,109
Accruals	9,198	7,764
Accrued compens.	4,612	3,488
Unredeemed trading stamps	651	1,344
Inc. taxes	204	–
Deferred inc. taxes	122	–
Other taxes	1,962	1,919
Curr. Liabilities	$ 37,860	$ 42,674
Long-term debt	21,909	20,671
Cap. lease oblig.	13,216	10,512
Unredeemed trading stamps	651	1,344
Minority interest	971	646
Pensions	1,620	1,908
Deferred inc. taxes	916	1,075
+Common stock	3,523	3,523
Retained earnings	24,311	22,914
Treasury stock	(27)	(27)
Total Liabilities & Shareholders' Equity	$ 104,950	$ 105,240

‡ Restated to reflect capitalization of leases.
* At lower of cost (FIFO) or market.
≠ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.32	–
%Net Income to Sales	0.25	–
%Net Income to Equity	5.02	–
Sales to Inventories	13.22	12.55
Working Capital	$ 16,830,000	$ 17,298,000
Current Ratio	1.44	1.41
Shareholders' Equity	$ 27,807,000	$ 26,410,000

Weis Markets, Inc.

1000 South Second Street
Sunbury, Pennsylvania 17801
(717) 286-4571

Officers: Sigfried Weis, president; Robert F. Weis, vice president and treasurer; Michael C. Rheam, vice president and secretary; Richard D. Madison, vice president.

Directors: Sigfried Weis, Robert F. Weis, Micheal C. Rheam, Charles H. Watts II, Peter M. Sacerdote.

Business Activities: Operates supermarkets in Pennsylvania, New York, and Maryland, under the name of Weis Markets. The Sunbury Wholesale Seafood Company, specializes in the distribution of frozen seafood and grocery items to restaurants and institutions. Also operates 8 Amity House Restaurants.

Subsidiary:

Albany Public Markets

Sunbury Wholesale Seafood Company
Northumberland, Pennsylvania

Transfer Agent(s):

Girard Bank
Corporate Trust Department
Philadelphia, Pennsylvania 19101

Stock Exchange(s): New York

Ticker Symbol: WMK

Number of Stores: (at fiscal year end)

1979	105	1976	95
1978	101	1975	91
1977	99		

Sales and Earnings

	Net Sales	Net Income
1979	$606,346,000	$ 28,880,000
1978	518,003,000	24,582,000

1977	461,281,000	20,841,000
1976	402,917,000	17,933,000
1975	369,347,000	15,369,000

	No. of Com. Shares #	Earn. per Share #
1979	9,099,000	$3.17
1978	9,079,525	2.71
1977	9,059,628	2.30
1976	9,047,825	1.98
1975	9,044,972	1.70

Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.80	–	3-for-2
1978	0.63	–	–
1977	0.55	–	–
1976	0.48	–	–
1975	0.40	–	–

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$157,806,000	$17.34
1978	135,972,000	22.44
1977	116,844,000	19.34
1976	100,797,000	16.71
1975	87,199,000	14.46

‡ Based on average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	12/29/79	12/30/78
Net sales	$606,346,000	$518,003,000
Cost of sales	456,047,000	387,160,000
Expenses	102,348,000	87,358,000
Other income	(7,327,000)	(5,841,000)
Income before taxes	$ 55,278,000	$ 49,326,000
Income taxes	26,398,000	24,744,000
Net Income	$ 28,880,000	$ 24,582,000

* Included in Costs and Expenses. Depreciation and Amortization: $8,646,000 in 1979 and $6,913,000 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 250,000	$ 180,000
Marketable securities	66,037,000	63,352,000
Accts. receiv., net	3,490,000	3,126,000
* Inventories	42,259,000	36,330,000
Prepaid expenses	1,006,000	939,000
Current Assets	$113,042,000	$103,927,000
# Fixed assets	72,348,000	57,969,000
Def. income taxes	740,000	678,000
Intangibles	3,318,000	3,348,000
Total Assets	$189,448,000	$165,922,000

Liabilities

Accts. payable	$ 24,508,000	$ 22,795,000
Accruals	3,934,000	3,148,000
Income taxes	3,200,000	4,007,000
Curr. Liabilities	$ 31,642,000	$ 29,950,000
+ Common stock	3,091,000	3,083,000
Add. paid-in capital	911,000	682,000
Retained earnings	155,713,000	134,113,000
Treasury stock	(1,909,000)	(1,906,000)
Total Liabilties & Shareholders' Equity	$189,448,000	$165,922,000

* At lower of cost (LIFO or average cost method) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	9.12	9.52
%Net Income to Sales	4.76	4.75
%Net Income to Equity	18.30	18.08
Sales to Inventories	14.35	14.26
Working Capital	$ 81,400,000	$ 73,977,000
Current Ratio	3.57	3.47
Shareholders' equity	$157,806,000	$135,972,000

Weisfield's, Inc.

800 South Michigan Street
Seattle, Washington 98108
(206) 767-5011

Officers: Herman Blumenthal, president & chief executive officer; Gregory Crumbaker, executive v.p. & treasurer; Sam Arnstein, v.p.; E. Robert Nelsen, secretary.

Directors: Richard S. Weisfield, Herman Blumenthal*, Leslie D. Rosenberg, Daniel Baty, Thomas Foster, Earle Glant, Kermit Rosen.

* Member of Executive Committee.

Business Activities: Operates Weisfield's Jewelry Stores in 6 western states.

Transfer Agent(s):

Seattle-First National Bank
Seattle, Washington

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WEIS (NASDAQ)

Number of Stores: (at fiscal year end)

1979	67	1976	65
1978	58	1975	65
1977	57		

Sales and Earnings

	Revenues +	Net Income ‡
1980	$ 34,199,147	$ 2,662,233
1979	28,986,843	1,989,441
1978	24,694,568	2,977,965
1977	22,120,301	530,283
1976	18,982,823	(4,669,773)

	No. of Com. Shares	Earn. per Share ‡
1980	649,299	$4.12
1979	642,392	3.13
1978	632,442	4.71
1977	629,167	0.84
1976	629,167	–

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gains of $173,000 ($0.27 per share) in 1979 and $1,410,000 ($2.23 per share) in 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.525	–	–
1979	0.20	–	–
1978	–	–	–
1977	–	–	–
1976	0.10	–	–

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,466,372	$22.28
1979	12,123,481	18.87
1978	10,232,668	16.18
1977	7,244,878	11.52
1976	6,714,595	10.67

Income Account

Year ended Jan. 31	1980	1979
Net sales	$ 32,378,868	$ 27,463,287
Other revenues	1,820,279	1,523,556
Revenues	$ 34,199,147	$ 28,986,843
Cost of sales	14,810,695	13,692,425
Expenses	12,212,246	9,668,877
Rentals	1,778,029	1,424,430
Depreciation & amortization	414,515	352,910
Interest expense	42,938	177,660
Prov. for doubtful accts.	443,610	350,100
Income before taxes	$ 4,497,114	$ 3,320,441
Income taxes	2,104,000	1,504,000
Income from cont. oper.	$ 2,393,114	$ 1,816,441
Gain from discont. oper.	269,119	
Net Income	$ 2,662,233	$ 1,816,441
Extraordinary gain		173,000
Net Income & Extraord. gain	$ 2,662,233	$ 1,989,441

Assets

As of Jan. 31	1980	1979
Cash	$ 3,066,740	$ 265,239
Accts. receiv., net	9,077,206	6,940,020
Other receiv.	745,655	346,622
*Inventories	8,560,795	7,597,263
Prepaid expenses	356,724	347,561
Assets held for sale	–	921,707
Current Assets	$ 21,807,120	$ 16,418,412
# Fixed assets	3,675,396	2,370,761
Other assets	25,308	77,659
Total Assets	$ 25,507,824	$ 18,866,832

Liabilities

Notes payable	$ –	$ 125,000
Notes & trade acceptances payable	3,413,597	1,113,928
Accts. payable & accrued expenses	3,744,219	2,056,956
Accruals	791,326	863,016
Other taxes	300,588	202,220
Income taxes	2,620,546	1,723,200
Reserve for discont. oper.	–	452,855
Curr. Liabilities	$ 10,870,276	$ 6,537,175
Deferred compensation	171,176	206,176
+ Common stock	1,387,720	1,373,906
Add. paid-in capital	1,569,143	1,562,236
Retained earnings	11,697,772	9,375,602
Treasury stock	(188,263)	(188,263)
Total Liabilities & Shareholders' Equity	$ 25,507,824	$ 18,866,832

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $2 par value.

Statistical Summary

%Income bef. Taxes to Sales	–	12.09
%Net Income to Sales	–	6.61

%Net Income to Equity	18.40	14.98
Sales to Inventories	3.78	3.61
Working Capital	$ 10,936,844	$ 9,881,237
Current Ratio	2.01	2.51
Shareholders' Equity	$ 14,466,372	$ 12,123,481

Weyenberg Shoe Manufacturing Company

P.O. Box 1188
234 East Reservoir Avenue
Milwaukee, Wisconsin 53201
(414) 374-8900

Officers: Thomas W. Florsheim, chairman of the board and chief exec. officer; Robert Feitler, president; James F. Gorman, Peter S. Grossman, v.p.'s-sales; Thomas O. McArdle, v.p.-merchandising; A. T. Ogier, v.p.-retail; Bernard R. Tolzman, secretary; Roland L. Keuler, treasurer.

Directors: Thomas W. Florsheim, chairman; Robert Feitler, Roland H. Wegener, M. A. Gruber, M. A. Pfaelzer, Frederick P. Stratton, Jr., Carlton P. Wilson.

Business Activities: Manufactures, retails and wholesales men's footwear. Operates a nationwide chain of leased shoe departments and retail shoe stores, including Brass Boot Shoe Stores.

Subsidiaries:

Nunn Bush Shoe Co., a wholly owned subsidiary of Weyenberg manufactures, wholesales and retails men's footwear. Operates leased departments and stores including Brass Boots.

Morgan Hayes division of Nunn Bush retails men's footwear through a chain of stores and leased departments in Texas.

Adler Shoe Shops, Inc., a wholly owned subsidiary of Weyenberg, operates a chain of men's shoe stores in New York.

Transfer Agent(s):

First Wisconsin Trust Company
Milwaukee, Wisconsin 53202

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WEYS

Number of Retail Units: (at fiscal year end)

	Leased depts	Co-owned stores
1979	71	74
1978	73	72
1977	77	80
1976	67	82
1975	76	81

Sales and Earnings

	Net Sales	Net Income
1979	$ 78,922,164	$ 1,236,466
1978	85,046,995	3,676,427
1977	78,774,418	3,548,054
1976	78,865,669	3,153,175
1975	70,358,538	2,257,570

	No. of Com. Shares†	Earn. per Share†
1979	876,685	$1.41
1978	1,039,557	3.54
1977	1,071,941	3.31
1976	1,149,749	2.74
1975	1,168,054	1.93

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.08	—	—
1978	1.08	—	—
1977	0.98	—	3-for-2
1976	0.89	—	—
1975	0.85	—	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1979	$ 20,518,347	$23.40
1978	27,909,727	26.85
1977	25,489,062	23.78
1976	24,265,455	21.11
1975	22,842,541	19.56

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended Dec. 31	1979	1978
Net sales	$ 78,922,164	$ 85,046,995
Cost of sales	56,555,692	58,443,467
Expenses	20,122,784	19,874,339
Oper. profit	$ 2,243,688	$ 6,729,189
Interest expense	343,301	325,995
Interest & other income	(531,079)	(725,502)
Gain on sale	—	(487,731)
Prov. for loss	—	310,000
Income before taxes	$ 2,431,466	$ 7,306,427
Income taxes	1,195,000	3,630,000
Net Income	$ 1,236,466	$ 3,676,427

* Included in Costs and Expenses, Depreciation and Amortization: $744,954 in 1979 and $833,390 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 2,860,360	$ 1,183,836
marketable securities	70,565	6,007,868
Accts. receiv., net	11,613,276	11,978,619
*Inventories	13,406,745	13,372,782
Prepaid expenses	366,991	209,405
Current Assets	$ 28,317,937	$ 32,752,510
Investments	154,288	1,188,123
#Fixed assets	5,700,046	6,162,081
Total Assets	$ 34,172,271	$ 40,102,714

Liabilities

Notes payable	$ 2,600,000	$ —
Long-term debt, curr.	—	12,687
Accts. payable	3,867,787	3,770,400
Dividend payable	190,096	—
Accruals	1,985,483	2,591,559
Income taxes	634,619	891,816
Curr. Liabilities	$ 9,277,985	$ 7,266,462
Long-term debt	772,000	1,833,547
Deferred invest. grant	1,281,939	1,348,978
Deferred inc. taxes	2,322,000	1,744,000
+Common stock	1,335,182	1,335,182
Add. paid-in capital	186,002	224,733
Retained earnings	31,317,516	31,027,001
Treasury stock	(12,320,353)	(4,677,189)
Total Liabilities & Shareholders' Equity	$ 34,172,271	$ 40,102,714

* At LIFO cost.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.08	8.59
%Net Income to Sales	1.57	4.32
%Net Income to Equity	6.03	13.17
Sales to Inventories	5.89	6.36
Working Capital	$ 19,039,952	$ 25,486,048
Current Ratio	3.05	4.51
Shareholders' Equity	$ 20,518,347	$ 27,909,727

The Whitlock Corporation

42-40 Bell Boulevard
Bayside, New York 11361
(212) 423-5550

Officers: H. B. Pearl, chairman of the board & chief exec. officer; W. J. Fox, president & chief operating officer; N. Helft, Y. Solomon, v.p.'s; W. E. Cowan, secretary; J. C. Pearl, treasurer; H. S. Hellman, controller.

Directors: H. B. Pearl, chairman; W. E. Cowan, W. J. Fox, J. C. Pearl, S. P. Pryor.

Business Activities: Engaged in the retail sale of automotive parts, supplies and accessories.

Divisions & Subsidiaries:

Automotive Division
Davenport, Iowa

Whitlock Auto Parts Company Division
Davenport, Iowa

National Auto Stores Corporation
Utica, New York

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WHTL (NASDAQ)

Number of Stores: (at fiscal year end)

1978	45	1975	24
1977	56	1974	23
1976	24		

Sales and Earnings

	Net Sales +	Net Income‡
1978	$ 27,830,973	$ 596,846
1977	19,556,103	522,046
1976	10,964,997	520,337
1975	9,482,264	583,674
1974	7,898,549	532,773

	No. of Com. Shares	Earn. per Share ‡ #
1978	1,940,844	$0.27
1977	1,924,844	0.26
1976	1,914,844	0.27
1975	1,910,344	0.31
1974	1,906,344	0.28

+ Of continuing operations only.
‡ Including extraordinary gain of $37,000 ($0.02 per share) in 1974.
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1978	$ 4,889,673‡	$2.52
1977	4,344,283‡	2.26

1976	3,825,912	2.00
1975	3,298,825	1.73
1974	2,708,711	1.42

‡ After allowing for preferred stock at redemption value.

Income Account*

Year ended Dec. 31	1978	1977
Net sales	$ 27,830,973	$ 19,556,103
Cost of sales	17,063,504	12,255,903
Expenses	9,035,916	6,136,129
Interest expense	389,551	315,570
Income before taxes	$ 1,342,002	$ 848,501
Income taxes	682,000	339,000
Income from cont oper.	$ 660,002	$ 509,501
Income (loss) from discont. oper.	(63,156)	12,545
Net Income	$ 596,846	$ 522,046

* Included in Costs and Expenses. Depreciation and Amortization: $372,793 in 1978 and $340,861 in 1977.

Assets

As of Dec. 31	1978	1977
Cash	$ 1,480,491	$ 1,896,104
Accts. receiv., net	270,021	564,855
*Inventories	7,355,866	9,570,262
Prepaid expenses	64,431	298,646
Current Assets	$ 9,170,809	$ 12,329,867
Long-term notes	355,150	—
Investments	177,758	227,864
# Fixed assets	1,216,246	2,186,746
Intangibles	267,445	397,582
Total Assets	$ 11,187,408	$ 15,142,059

Liabilities

	1978	1977
Notes payable	$ —	$ 1,025,000
Long-term debt, curr.	484,370	737,516
Accts. payable & accruals	2,504,741	4,738,470
Accrued payroll	376,778	279,614
Income taxes	228,454	56,000
Curr. Liabilities	$ 3,594,313	$ 6,836,600
Long-term debt	1,365,822	2,633,118
Deferred compensation	—	110,458
Deferred tax credits	120,000	—
+ Preferred stock	1,218	1,218
+ Common stock	194,084	192,484
Add. paid-in capital	2,599,736	2,579,736
Retained earnings	3,312,235	2,788,445
Total Liabilities & Shareholders' Equity	$ 11,187,408	$ 15,142,059

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1978	1977
%Net Income to Equity	9.77	9.39
Sales to Inventories	3.78	2.04
Working Capital	$ 5,576,496	$ 5,493,267
Current Ratio	2.55	1.80
Shareholders' Equity	$ 6,107,273	$ 5,561,883

The Wickes Corporation

1010 Second Avenue
San Diego, California 92101
(714) 238-0304

Officers: E.L. McNeely, chairman of the board & chief executive officer; J.V. Drum, vice chairman; D.J. Primuth, president; C. A. Johnson, exec. v.p.; T.W. Cline, sr. v.p. & secretary; R.W. Fruechtenicht, sr. v.p. & chief financial officer; A.E. Kirchheimer, sr. v.p., general counsel & asst. secretary; R.G. Cotton, R.L. Barker, P.W. Hylbert, Jr., T.G. Rogers, Jr., L.L. Hagen, sr. vice presidents; R.J. Ainslie, E.N. Gordon, H. P. Camp, D.A. Coape-Arnold, J. H.Hekman, J.A. Clevenger, J.P. Edl, R.D. Passaglia, R. E. Pfaff, L.J. Russell, A.J. Swies, E.F. Warns, P.W. Willox, vice presidents; W.W. Boyle, v.p. & treasurer; G. G. Valentine, v.p. & asst. controller; R.W. Williams, controller; R.H. Chambers, asst. treasurer.

Directors: T.W. Cline, T.C. Harvey, C.A. Johson, E.L. McNeely, D.J. Primuth, J.A. Ritzenthaler, P.C. Souder, R.A. Watt.

Business Activities: Engaged in retailing lumber and building materials, home improvement products and furniture; wholesaling lumber and agricultural products; the manufacture of forest products, commercial and farm buildings and other shelter-related products, and engineering products and equipment. It is also engaged in financial service operations. Wickes Lumber Division, headquartered in Saginaw, Michigan, is a major retailer of lumber, plywood and related building materials in the United States. Through its retail outlets, it sells a line of building materials and related products to homeowners, contractors and farmers. There are 271 building and home supply stores in 36 states, plus 50 lumber and building materials centers in Holland, Belgium, Germany, and the United Kingdom. Wickes Furniture Division, headquarters in Wheeling, Illinois, sells nationally advertised brands of furniture and furnishings through 22 warehouse-showroom retail facilities located in 12 states and one small store which sells moderatly priced contemporary furniture and furnishings. Builders Emporium, which became a Wickes company in fiscal 1979, is headquartered in Irvine, California. It operates 53 home improvement centers in California selling products with particular appeal to the do-it-yourself consumer.

Divisions & Subsidiaries:

Behlen Manufacturing Company
P.O. Box 569
Columbus, Nebraska 68601
(401) 564-3111

Builders Emporium
2162 Michelson Drive
Irvine, CA 92715
(714) 975-0808

Behlen-Wickes Company Limited (subsidiary)
P.O. Box 1120
Brandon, Manitoba, Canada R7A6A4
(204) 728-1188

Farmaster Products Co.
Shenandoah, Iowa 51601
(712) 246-2250

Maron Products, Inc. (subsidiary)
1301 Industrial Drive
Mishawaka, Indiana 46554
(219) 259-1971

Saginaw Machine and Tool Company
302 Throop Street
Saginaw, Michigan 48602
(517) 753-8465

Sequoia Supply, Inc. (subsidiary)
30160 S.W. Orepac Avenue
Wilsonville, Oregon 97070
(503) 682-2822

Wickes Agriculture
2090 East 104th Street
Denver, Colorado 80233
(303) 451-7613

Wickes Canada Ltd. (subsidiary)
3516-24 Avenue South
Lethbridge, Alberta, Canada T1J4A6
(403) 327-3165

Wickes Engineered Materials
1621 Holland Avenue
Saginaw, Michigan 48601
(517) 755-0441

Wickes Europe
Sweelinckplein 1
The Hague, The Netherlands

Wickes Forest Industries
P.O. Box 305
Dinuba, California 93618
(209) 591-2000

Wickes Furniture
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-0100

Wickes Lumber
515 North Washington Avenue
Saginaw, Michigan 48607
(517) 754-9121

Wickes Machinery
515 North Washington Avenue
Saginaw, Michigan 48607
(517) 754-9121

Lee L. Woodard Sons, Inc. (subsidiary)
317 South Elm Street
Owosso, Michigan 48867
(517) 723-7881

Yorktowne
P.O. Box 231
Red Lion, Pennsylvania 17356
(717) 244-4011

Wickes Financial Services:

Western Diversified Services, Inc.
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-5800

Wickes Credit Corporation
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-0100

Wickes Leasing Corporation
1010 Second Avenue
San Diego, California 92101
(714) 238-0304

Transfer Agent(s):

National Bank of Detroit
Detroit Michigan

Stock Exchange(s): New York, Pacific

Ticker Symbol: WIX

Number of Stores: (at fiscal year end)

	Lumber	Furniture	Home Improvement
1980	271	23	53
1979	260	23	47
1978	260	22	—
1977	259	22	—
1976	263	22	—

Sales and Earnings

	Net Sales (000's)	Net Income # (000's)
1980	$ 2,095,206	$ 39,701
1979	1,910,143	34,378
1978	1,487,857	28,816
1977	1,193,382	16,588
1976*	1,048,828	(20,304)

	No. of Com. Shares‡	Earn. per Share ‡ #
1980	10,818,150	$3.49
1979	10,781,389	3.14
1978	10,708,216	2.69
1977	10,690,100	1.55
1976*	10,676,176	—

(Loss)
• 53 weeks.
≠ Including extraordinary gains of $2,104,000 ($0.20 per share) in 1978.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues by Line of Business

	1980 (000's)	%	1979 (000's)	%
Retailing:				
Lumber & building supplies	$1,157,345	55.2%	$1,060,645	55.5%
Furniture	151,391	7.2	128,461	6.7
Wholesaling:				
Lumber & building supplies	268,075	12.8	264,079	13.8
Agricultural products	179,743	8.6	150,536	7.9
Manufacturing:				
Forest products	85,513	4.1	86,926	4.6
Building & agricultural related structures	130,706	6.2	125,432	6.6
Industrial	62,238	3.0	52,608	2.7
Other	60,195	2.9	41,456	2.2
Total	$2,095,206	100.0%	$1,910,143	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.04	—	—
1979	0.92	—	—
1978	0.76	—	—
1977	0.36	5%	—
1976	0.50	5%	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 255,408 +	$23.58
1979	228,204 +	21.11
1978	203,778	19.00
1977	182,819	17.09
1976	170,269	17.12

‡ Adjusted to reflect stock dividends.
+ After allowing for preferred stock at mandatory liquidation value.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 2,095,206	$ 1,910,143
Cost of sales	1,604,919	1,470,037
Expenses	393,791	347,066
Interest expense	38,525	32,660
Income before taxes	$ 57,971	$ 60,380
Income taxes	24,289	28,613
Minority interest	(6,019)	(2,611)
Net Income	$ 39,701	$ 34,378

* Included in Costs and Expenses, Depreciation and Amortization: $25,877,000 in 1980 and $25,608,000 in 1979.

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 16,511	$ 8,440
Marketable equity securities	6,775	1,621
Receiv., net	160,814	134,376
* Inventories	387,597	328,597
Prepaid expenses	13,552	9,032
Current Assets	$ 584,664	$ 482,066
Investments in unconsol. subsid.	29,116	17,574
Advances	4,314	2,457
≠ Fixed assets	247,074	234,619
Other assets	11,277	10,184
Defer. charges	4,248	3,056
Investments & other receiv.	7,574	5,265
Total Assets	$ 888,267	$ 755,221

Liabilities
(000's)

Notes payable	$ 102,174	$ 21,578
Long-term debt. & cap. lease oblig., curr.	5,227	10,415
Accts. payable	130,032	117,287
Accruals	53,840	45,773
Income taxes	—	10,790
Dividends payable	2,816	2,978
Other liabilities	12,927	9,801
Curr. Liabilities	$ 307,016	$ 218,622
Long-term debt	204,171	189,120
Cap. lease oblig.	76,833	78,652
Deferred inc. taxes	22,339	18,123
+ Preferred stock	22,500	22,500
+ Common stock	27,088	27,030
Add. paid-in capital	69,786	69,576
Retained earnings	158,602	131,631
Treasury stock	(68)	(33)
Total Liabilities & Shareholders' Equity	$ 888,267	$ 755,221

* At lower of cost (FIFO) or market, not in excess of net realizable values.
≠ Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.77	3.16
%Net Income to Sales	1.89	1.80
%Net Income to Equity	14.29	13.71
Sales to Inventories	5.41	5.81
Working Capital	$277,648,000	$263,444,000
Current Ratio	1.90	2.21
Shareholders' Equity	$277,908,000	$250,704,000

L. F. Widmann, Inc.
(84% owned by The Valley Fair Corporation)

738 Bellefonte Avenue
Lock Haven, Pennsylvania 17745
(717) 748-5385

Officers: Jerome Schottenstein, chairman of the board; Erwin Lehr, president; Alvin E. Schottenstein, William Saxon, v.p.'s; Kenneth P. Jorgensen, secretary; Ross N. Alfieri, treasurer & asst. secretary.

Directors: Jerome Schottenstein, Alvin E. Schottenstein, Saul Schottenstein, Kenneth P. Jorgensen, Erwin Lehr, Ross N. Alfieri, Irving Harris.

Business Activities: Operates a chain of discount drug and health and beauty aid stores in central and western Pennsylvania. Also operates, through its 100% owned subsidiary, 12 leased departments in Northern New Jersey.

Transfer Agent(s):

The National State Bank
Elizabeth, New Jersey 07207

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	54	1976	49
1978	54	1975	43
1977	50		

Sales and Earnings

	Net Sales	Net Income
1979	$ 18,622,759	$ 304,803
1978 +	12,924,279	395,276
1977*	11,344,130	352,613
1976	9,918,411	328,467
1975	8,789,447	240,160

	No. of Com. Shares	Earn. per Share †
1979	242,050	$1.26
1978	248,050	1.58
1977	251,995	1.28
1976	317,610	1.03
1975	324,625	0.73

+ 53 weeks.
* 51 weeks.
† Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 3,452,046	$14.26
1978	3,192,243	12.87
1977	2,816,692	11.18
1976	2,759,476	8.69
1975	2,453,311	7.56

Income Account*

Year ended	4/29/79	4/30/78 (53 weeks)
Net sales	$ 18,622,759	$ 12,924,279
Cost of sales	14,394,900	9,584,537
Expenses	3,600,910	2,586,833
Interest expense	53,222	35,484
Other income	(37,076)	(43,351)
Income before taxes	$ 610,803	$ 760,776
Income taxes	306,000	365,500
Net Income	$ 304,803	$ 395,276

* Included in Costs and Expenses, Depreciation and Amortization: $54,534 in 1979 and $48,965 in 1978.

Assets

As of	4/29/79	4/30/78
Cash	$ 842,379	$ 345,476
Accts. receiv., net	58,264	47,076
Sundry debtors	2,798	3,395
*Inventories	4,327,614	3,346,798
Prepaid expenses	79,233	66,426
Current Assets	$ 5,310,288	$ 3,809,171
≠ Fixed assets	409,807	383,801
Other assets	705	705
Total Assets	$ 5,720,800	$ 4,193,677

Liabilities

Notes payable	$ —	$ 327,000
Long-term debt, curr.	171,428	21,002
Accts. payable	689,594	504,896
Accruals	83,077	44,085
Income taxes	244,900	10,802
Other taxes	83,261	49,206
Curr. Liabilities	$ 1,272,260	$ 956,991
Long-term debt	996,494	44,443
+ Common stock	184,790	184,790
Add. paid-in capital	405,903	405,903
Retained earnings	3,430,902	3,126,099
Treasury stock	(569,549)	(524,549)
Total Liabilities & Shareholders Equity	$ 5,720,800	$ 4,193,677

* At lower of cost or market.
≠ Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.28	5.89
%Net Income to Sales	1.64	3.06
%Net Income to Equity	8.83	12.38
Sales to Inventories	4.30	3.86
Working Capital	$ 4,038,028	$ 2,852,180
Current Ratio	4.17	3.98
Shareholders' Equity	$ 3,452,046	$ 3,192,243

Wieboldt Stores, Inc.

One North State Street
Chicago, Illinois 60602
(312) 782-1500

Officers: Allen E. Neil, chairman of the board; Arthur K. Muenze, president; David C. Keller, vice-president and treasurer; Frank J. Duda, Ernest A. Otto, Leon M. Recob, Robert S. Zimmerman, Herbert L. Roark, vice presidents; Charles A. Chianelli, controller and assistant secretary; M. Allan Shaw, secretary and assistant treasurer.

Directors: Robert A. Podesta, Arthur K. Muenze, Allen E. Neil, William W. Darrow, Myrtie H. Green, Boyd J. Simmons, David C. Keller.

Business Activities: Operates department stores throughout the metropolitan area of Chicago.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): New York

Ticker Symbol: WIE

Number of Stores: (at fiscal year end)

1980	13	1977	13
1979	13	1976	13
1978	13		

Sales and Earnings

	Net Sales ‡	Net Income +
1980	$169,687,749	$ 1,532,972
1979*	166,118,669	2,852,659
1978	159,216,977	3,037,867
1977	156,696,650	3,110,719
1976	151,174,401	2,536,327

	No. of Com. Shares #	Earn. per Share # +
1980	2,762,159	$0.55
1979	2,812,715	1.01
1978	2,872,860	1.05
1977	2,974,735	1.04
1976	3,064,296	0.82

* 53 weeks.
‡ Includes sales of leased departments.
+ Including extraordinary gain of $145,000 ($0.05 per share) in 1975.
# Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.44	–	–
1979	0.40	–	–
1978	0.35	–	–
1977	0.30	–	–
1976	0.28	–	–

Common Stock Equity †

	Total Equity	Equity Per Share
1980	$ 37,260,880	$13.48
1979	37,071,264	13.36
1978	35,911,444	12.72
1977	34,524,291	11.87
1976	33,150,612	10.91

† Restated to reflect change in accounting method.

Income Account

Year ended	2/2/80	2/3/79 (53 Weeks)
Net sales	$169,687,749	$166,118,669
Cost of sales	118,901,906	115,624,'11
Expenses	41,678,026	39,098,121
Depreciation & amortization	4,078,075	3,860,447
Interest on long-term debt, and capital lease oblig.	2,804,770	2,582,631
Income before taxes	$ 2,224,972	$ 4,952,659
Income taxes	692,000	2,100,000
Net Income	$ 1,532,972	$ 2,852,659

Assets

As of	2/2/80	2/3/79
Cash	$ 2,080,955	$ 1,213,789
Accts. receiv., net	22,155,288	21,898,264
Assets from Wieboldt Credit Corp.	809,853	803,404
*Inventories	17,705,166	18,683,369
Prepaid expenses	1,404,663	1,202,303
Current Assets	$ 44,155,925	$ 43,801,129
# Fixed assets	53,115,839	51,657,015
Other assets	152,789	182,412
Total Assets	$ 97,424,553	$ 95,640,556

Liabilities

Accts. payable	$ 8,609,641	$ 8,040,113
Accruals	2,357,468	2,612,966
Accrued payroll	1,797,330	1,845,404
Income taxes	5,288,200	5,534,498
Other taxes	4,763,598	5,034,001
Curr. portion of long-term debt. and capital lease	1,571,067	1,367,835
Curr. Liabilities	$ 24,387,304	$ 24,434,817
Long-term debt	20,522,615	21,014,442
Capital lease oblig. non-curr.	9,525,537	7,745,400
Miscellaneous	2,393,420	2,111,057
Deferred inc. taxes	2,955,384	2,882,096
+ Preferred stock	367,100	380,000
+ + Common stock	6,481,030	6,481,036
Add. paid-in capital	11,338,075	11,345,775
Retained earnings	21,781,656	21,479,641
Treasury stock	(2,327,574)	(2,233,708)
Total Liabilities & Shareholders' Equity	$ 97,424,553	$ 95,640,556

* At cost (LIFO) not in excess of market.
# Less accumulated depreciation.
+ No par value. $4.25 cumulative, stated value $100 per share.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.31	2.98
%Net Income to Sales	0.90	1.72
%Net Income to Equity	4.07	7.62
Sales to Inventories	9.58	8.89
Working Capital	$ 19,768,621	$ 19,366,312
Current Ratio	1.81	1.79
Shareholders' Equity	$ 37,640,293	$ 37,452,744

The Wiener Corporation

5725 Powell Street
Harahan, Louisiana 70183
(504) 733-7055

Mailing address:

P.O. Box 23607
New Orleans, Louisiana 70183

Officers: Sander N. Wiener, chairman of the board, president & chief executive officer; Norris J. Gremillion, exec. v.p.; Jules Watsky, sr. v.p.; J. Michael Doherty, sr. vice president & treasurer; Daniel J. O'Rourke, v.p., secretary & controller; Noel J. Achor, v.p.-advertising; Ronald J. Bourlet, v.p.-shoe merchandising; Ernest J. Calgano, v.p.-shoe merchandising; Paul F. Daigle, v.p.-apparel merchandising; J. Randall Ferguson, v.p.-apparel operations.

Directors: Daniel B. Buckman*, J. Michael Doherty, Norris J. Gremillion*, Sander N. Wiener*, Allen A. Copping, Jules Watsky*, Noel J. Achor, Vincent J. Lewis, Merle Wiener Aronson, Sidney C. Pulitzer.

* Member of Executive Committee.

Business Activities: Operates specialty apparel shops and shoe stores in Louisiana, Texas, Florida, Arkansas, Mississippi, Alabama, Tennessee, Georgia, Kansas, North Carolina, Kentucky, New Mexico, South Carolina, Missouri, Arizona and Oklahoma. These stores operate under the names Shoe Town and Shoe Lodge, Danny's, The Ranch (casual wear operations), and Stamina.

Transfer Agent(s):

First National Bank of Commerce
210 Baronne Street
New Orleans, Louisana 70112

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WIEN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	144	1976	124
1978	140	1975	106
1977	131		

Sales and Earnings

	Net Sales	Net Income
1980	$ 62,370,000	$ (236,000)
1979	68,891,000	1,916,000
1978	58,236,000	1,676,000
1977	46,967,329	1,203,293
1976	40,025,132	2,017,176

	No. of Com. Shares	Earn. per Share ‡
1980	1,133,000	$0.21
1979	1,128,910‡	1.70
1978	1,128,126‡	1.49
1977	1,121,813‡	1.07
1976	1,098,522‡	1.84

(Loss)
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split and stock dividend.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.33	–	–
1979	0.36	–	–
1978	0.33	10%	–
1977	0.32	–	4-for-3
1976	0.23	–	–

‡ Adjusted to reflect stock split and stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,782,000	$8.63
1979	10,374,000	9.18
1978	8,855,000	7.85
1977	7,548,960	6.73
1976	6,516,295	5.93

‡ Adjusted to reflect stock split and stock dividend.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 62,370,000	$ 68,891,000
Cost of sales	35,429,000	38,232,000
Expenses	25,862,000	26,261,000
Interest expense	1,603,000	1,027,000
Income (loss) before taxes	$ (524,000)	$ 3,371,000
Income taxes (credit)	(288,000)	1,455,000
Net Income (Loss)	$ (236,000)	$ 1,916,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,220,000 in 1980 and $1,116,000 in 1979.

Assets

As of	1/26/80	1/27/79
Cash	$ 464,000	$ 242,000
Receiv., net	581,000	709,000
Refund. inc. taxes	698,000	—
Shipments in transit	1,274,000	1,957,000
*Inventories	10,138,000	12,999,000
Prepaid expenses	166,000	118,000
Current Assets	$ 13,321,000	$ 16,025,000
Other assets	269,000	327,000
# Fixed assets	8,754,000	9,056,000
Intangibles	154,000	161,000
Total Assets	$ 22,498,000	$ 25,569,000

Liabilities

Notes payable	$ —	$ 2,000,000
Accts. payable & accruals	5,716,000	6,007,000
Income taxes	—	188,000
Curr. Liabilities	$ 5,716,000	$ 8,195,000
Long-term debt	7,000,000	7,000,000
+ Common stock	1,180,000	1,177,000
Add. paid-in capital	1,463,000	1,448,000
Retained earnings	7,518,000	8,128,000
Treasury stock	(379,000)	(379,000)
Total Liabilities & Shareholders' Equity	$ 22,498,000	$ 25,569,000

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.89
%Net Income to Sales	—	2.78
%Net Income to Equity	—	18.47
Sales to Inventories	6.15	5.30
Working Capital	$ 7,605,000	$ 7,830,000
Current Ratio	2.33	1.96
Shareholders' Equity	$ 9,782,000	$ 10,374,000

The William Carter Company

963 Highland Avenue
Needham Heights, Massachusetts 02194
(617) 444-7500

Officers: Leo J. Feuer, chairman of the board & chief exec. officer; Manson H. Carter, vice-chairman; Richard G. Holland, Jr., president & chief operating officer; Richard F. Armknecht, Jr., sr. v.p.-finance; James F. Mulcahy, Jr., sr. v.p.-sales; Thomas W. Roberts, Jr., sr. v.p.-manufacturing; William H. Carter, II, v.p.-licensing & export; John G. Heald, v.p.-merchandising; John M. Arsenault, v.p.-special sales; John J. Cash, v.p.-sales, Midwestern Region; Donald J. Griffin, v.p.-sales, Western Region; Robert S. Miller, v.p.-sales, Eastern Region; Phillip S. Sumpter, controller; Thomas A. Moore, treasurer; Fred L. Morse, asst. treasurer & asst. secretary.

Directors: Leo J. Feuer, Richard G. Holland, Jr., Richard F. Armknecht, Jr., Dana P. Carter, Manson H. Carter, Richard O. Howe, Richard W Southgate, E. Morton Jennings, Jr.

Business Activities: Engaged in the production and sale of infantswear and playwear, sleepwear and underwear for children, under the brand name of "Carter's." Operates outlet stores which sell Carter products.

Division(s):

Singing Needles Division
Leola, Pennsylvania

Subsidiary:

Carter's Factory Outlet stores
Needham Heights, Massachusetts

Transfer Agent(s):

The William Carter Company
Needham Heights, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1979	28	1976	17
1978	25	1975	11
1977	20		

Sales and Earnings

	Net Sales	Net Income
1979	$149,397,000	$ 4,617,000
1978	129,608,000	5,273,000
1977	112,102,000	2,017,000†
1976*	96,971,000	3,370,000
1975	90,652,000	3,092,000

	No. of Com. Shares ‡	Earn. per Share ‡
1979	556,849	$8.29
1978	552,737	9.54
1977	540,494	3.73†
1976	520,044	7.17
1975	520,000	5.95

* 53 weeks.
‡ Based on weighted average number of common shares outstanding and common stock equivalents.
† Including extraordinary loss of $2,980,000 ($5.51 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.20	—	—
1978	1.05	—	—
1977	0.95	—	—
1976	0.80	—	—
1975	0.66	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 43,704,000	$78.10
1978	39,484,000	72.24
1977	34,515,000	64.67
1976	32,790,000	62.66
1975	29,410,000	56.56

Income Account *

Year ended	12/29/79	12/30/78
Net sales	$149,397,000	$129,608,000
Cost of sales	112,030,000	95,293,000
Expenses	26,753,000	22,218,000
Interest expense	3,240,000	2,454,000
Other income	(1,008,000)	(491,000)
Income before taxes	$ 8,382,000	$ 10,134,000
Income taxes	3,765,000	4,861,000
Net Income	$ 4,617,000	$ 5,273,000

* Included in Costs and Expenses, Depreciation: $2,012,000 in 1979 and $1,838,000 in 1978.

Assets

As of	12/29/79	12/30/78
Cash	$ 3,026,000	$ 2,218,000
Accts. receiv., net	16,068,000	11,093,000
*Inventories	45,029,000	46,223,000
Prepaid expenses	309,000	236,000
Current Assets	$ 64,432,000	$ 59,770,000
# Fixed assets	19,392,000	18,369,000
Total Assets	$ 83,824,000	$ 78,139,000

Liabilities

Notes payable	$ 787,000	$ 702,000
Accts. payable	4,896,000	3,998,000
Accruals	5,490,000	4,617,000
Income taxes	680,000	3,699,000
Est. payments due to ban. of Tris.	—	530,000
Curr. Liabilities	$ 11,853,000	$ 13,546,000
Notes payable	26,205,000	23,499,000
Deferred inc. taxes	2,062,000	1,610,000
+ Common stock	2,798,000	2,733,000
Add. paid-in capital	675,000	468,000
Retained earnings	40,231,000	36,283,000
Total Liabilities & Shareholders' Equity	$ 83,824,000	$ 78,139,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.61	7.82
%Net Income to Sales	3.09	4.07
%Net Income to Equity	10.56	13.35
Sales to Inventories	3.32	2.80
Working Capital	$ 52,579,000	$ 46,224,000
Current Ratio	5.44	4.41
Shareholders' Equity	$ 43,704,000	$ 39,484,000

H. J. Wilson Co., Inc.

5825 Florida Boulevard
Baton Rouge, Louisiana 70896
(504) 926-1733

Officers: Huey J. Wilson, chairman of the board & chief executive officer; Tracy J. Mandart, Jr., president & chief operating officer; Angelina M. Wilson, secretary; Thomas H. Normile, E.W. Fleming, Myron Ginsberg, Lynn W. Hernandez, sr. v.p.'s; Marcus D. Bruner, v.p.-personnel div.; Luther Penn, v.p.-internal audit; Gregory J. Cotter, v.p. & treasurer; Duane R. Wolter, corp. controller.

Directors: Huey J. Wilson, chairman; B. I. Moody III, Harris J. Chustz, Lynn W. Hernandez, A. Pike Howard II, Tracy J. Mandart, Jr., Maurice Mussafer, Angelina M. Wilson, Alden J. Laborde, Thomas H. Normile, A.C.R. Dreesmann.

H.J. Wislon Co., Inc.

Business Activities: Engaged in the business of selling hardgoods merchandise to the general public. The principal categories of merchandise are jewelry, housewares and gifts, sporting goods, cameras and electronics, toys, and silver. The Company operates 47 showrooms located in nine states from Colorado to Florida.

Transfer Agent(s):

Manufacturers Hanover Trust Company
350 Park Avenue
New York, New York 10022

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WILN (NASDAQ)

Number of Stores: (at fiscal year end)

1980	43	1977	24
1979	37	* 1976	20
1978	34		

Sales and Earnings

	Net Sales	Net Income
1980	$256,394,000	$ 11,045,000
1979*	154,695,000	8,621,000
1978	176,423,000	8,066,000
1977	124,173,125	6,361,237
1976	97,201,917	4,884,212

	No. of Com. Shares +	Earn. per Share +
1980	5,079,000	$2.17
1979*	4,664,000	1.85
1978	4,640,000	1.74
1977	4,635,000	1.37
1976	4,602,000	1.06

* 7 months.
+ Based on average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Revenues by Line of Business

	1980	1979	1978	1977
Jewelry	31.8%	30.3%	29.9%	30.4%
Silver, housewares & gifts	33.0	33.8	34.0	33.9
Cameras & electronics	14.6	15.4	14.1	12.8
Sporting goods	9.5	9.8	10.6	11.0
Toys	11.1	10.7	11.4	11.9
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.20	–	–
1979*	0.166	–	–
1978	0.133	50%	–
1977	0.033	–	–
1976	–	–	5-for-4

* 7 months.
+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 71,398,000	$14.06
1979	49,865,000	10.69
1978	41,800,000	9.01
1977	33,775,554	7.29
1976	28,027,306	6.09

‡ Based on the average number of shares outstanding adjusted to reflect stock dividend and stock split.

Income Account*

Year ended	2/2/80	2/3/79 (7 months)
Net sales	$256,394,000	$154,695,000
Cost of sales	169,928,000	101,749,000
Expenses	57,249,000	31,468,000
Depreciation & amortization	3,001,000	1,380,000
Interest expense	5,971,000	3,437,000
Income before taxes	$ 20,245,000	$ 16,661,000
Income taxes	9,200,000	8,040,000
Net Income	$ 11,045,000	$ 8,621,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,001,000 in 1979 and $1,380,000 in 1978.

Assets

As of	2/2/80	2/3/79
Cash & marketable secur.	$ 3,829,000	$ 2,218,000
Accts. receiv., net	6,124,000	4,827,000
*Inventories	95,275,000	62,625,000
Prepaid expenses	3,921,000	2,614,000
Current Assets	$109,149,000	$ 72,284,000
#Fixed assets	47,640,000	41,278,000
Leased prop. under cap. leases	31,359,000	16,957,000
Other assets	1,391,000	808,000
Total Assets	$189,539,000	$131,327,000

Liabilities

Notes payable	$ 10,000,000	$ 7,000,000
Long-term debt & cap. lease oblig., curr.	2,783,000	2,430,000
Accounts payable	24,609,000	5,620,000
Accruals & dividends payable	8,244,000	5,844,000
Income taxes	1,332,000	7,553,000
Curr. Liabilities	$ 46,968,000	$ 28,447,000
Long-term debt	37,410,000	35,242,000
Oblig. under cap. leases	33,763,000	17,773,000
+Common stock	19,813,000	8,547,000
Retained earnings	51,585,000	41,318,000
Total Liabilities & Shareholders' Equity	$189,539,000	$131,327,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.90	10.77
%Net Income to Sales	4.31	5.57
%Net Income to Equity	15.47	17.29
Sales to Inventories	2.69	2.47
Working Capital	$ 62,181,000	$ 43,837,000
Current Ratio	2.32	2.54
Shareholders' Equity	$ 71,398,000	$ 49,865,000

Winkelman Stores, Incorporated

25 Parsons Street
Detroit, Michigan 48201
(313) 833-6900

Officers: Stanley J. Winkelman, chairman of the board & chief exec. officer; Anthony J. Vinci, president & chief operating officer; Gordon Scobel, sr. v.p.-dir. of stores; Albert Cohen, sr. v.p.-publicity & marketing; Henry R. Winkelman, sr. v.p.-control & corp. planning; Naomie Rudelson, sr. v.p.-gen. merchandise mgr.; Harry A. Matelski, sr. v.p.-management organization & development; Marvin Adler, sr. v.p. & treasurer; Irving N. King, v.p.-personnel; Ronald P. Leonetti, v.p.-store planning & visual presentation; Robert E. Schilling, v.p.-advertising; Carol A. Marchetti, v.p.-merchandising; Erwin S. Simon, secretary.

Directors: Stanley J. Winkelman, Manuel M. Hartman, Samuel R. Rosenthal, Louis Berry, Anthony J. Vinci, Rodkey Craighead, Erwin S. Simon, Wilfred B. Doner, David Pollack, Jack A. Robinson.

Business Actitivies: Operates Winkelman's ladies specialty shops in Michigan, Ohio and Illinois, Thal's ladies specialty shops in Dayton, Ohio and Today stores located in Livonia and Birmingham, Michigan.

Transfer Agent(s):

The Detroit Bank & Trust Company
Detroit, Michigan

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: WNK

Number of Stores: (at fiscal year end)

1980	82	1977	78
1979	87	1976	69
1978	83		

Sales and Earnings

	Net Sales‡	Net Income
1980	$ 90,258,582	$ 2,768,111
1979	83,756,925	1,563,305
1978	82,920,176	2,102,684
1977	76,355,214	2,711,323
1976*	72,760,644	2,618,564

	No. of Com. Shares #	Earn. per Share #
1980	1,531,262	$1.81
1979	1,535,315	1.02
1978	1,569,567	1.34
1977	1,614,592	1.68
1976*	1,608,887	1.63

* 53 weeks.
‡ Includes leased departments
# Based on average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.42	–	–
1979	0.40	–	–
1978	0.40	–	–
1977	0.40	50%	–
1976	0.33⅓	–	–

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 24,051,310	$15.71
1979	21,833,334	14.43
1978	20,857,665	13.84
1977	19,504,442	12.79
1976	17,593,191	11.36

‡ Adjusted to reflect stock dividend.

Income Account

Year ended	1/26/80	1/27/79
Net sales	$ 90,258,582	$ 83,756,925
Cost of sales & expenses	76,504,758	71,336,072
Rent	4,103,126	3,928,321

Depreciation & amortization	1,089,807	975,474
Repairs & maintenance	1,426,189	1,770,563
Interest expense	674,067	784,054
Misc. taxes	2,182,524	1,960,136
Income before taxes	$ 4,278,111	$ 3,002,305
Income taxes	1,510,000	1,439,000
Net Income	$ 2,768,111	$ 1,563,305

Assets

As of	1/26/80	1/27/79
Cash	$ 3,285,059	$ 1,231,297
Accts. & notes receiv., net	19,550,743	19,486,868
*Inventories	8,531,244	8,827,641
Prepaid expenses	1,026,406	964,463
Current Assets	$ 32,393,452	$ 30,510,269
Investments & other assets	5,023,202	4,535,569
#Fixed assets	7,148,166	6,610,386
Total Assets	$ 44,564,820	$ 41,656,224

Liabilities

Notes payable	$ 500,000	$ 500,000
Accts. payable	4,359,596	4,727,699
Accruals	1,530,321	1,192,948
Accrued payroll	598,363	430,941
Accrued income taxes	1,009,699	89,583
Other taxes	931,341	785,300
Deferred income taxes	4,775,000	4,874,000
Curr. Liabilities	$ 13,704,320	$ 12,600,471
Long-term debt	6,000,000	6,500,000
Deferred inc. taxes	577,200	653,200
Accrued compensation	231,990	69,219
+Common stock	4,802,625	4,802,625
Add. paid-in capital	1,514,851	1,491,851
Retained earnings	18,443,030	16,325,874
Treasury stock	(645,383)	(707,985)
Stock bonus	(63,813)	(79,031)
Total Liabilities & Shareholders' Equity	$ 44,564,820	$ 41,656,224

* At lower of cost (FIFO) or market.
# Less accumulated depreciation or amortization.
+ $3 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.74	3.58
%Net Income to Sales	3.07	1.87
%Net Income to Equity	11.51	7.16
Sales to Inventories	10.58	9.49
Working Capital	$ 18,689,132	$ 17,909,798
Current Ratio	2.36	2.42
Shareholders' Equity	$ 24,051,310	$ 21,833,334

Winn-Dixie Stores, Inc.

5050 Edgewood Court
Jacksonville, Florida 32203
(904) 783-1800

Mailing address:

Post Office Box B
Jacksonville, Florida 32203

Officers: James E. Davis, chairman of the board; A.D. Davis, vice chairman of the board; Bert L. Thomas, president & chmn. of the exec. comm.; C. W. Waldorf, executive vice president; M. H. Hollingsworth, F.L. James, S.W. Evans, senior vice presidents; J. Shepard Bryan, Jr., vice president, secretary and general counsel; Robert D. Davis, C. Lester Cotton, L. B. Perry, S. W. Evans, W. M. Harris, R. J. Holmes, R. J. Cahalan, O.D. Carpenter, A. Dano Davis, C.L. Gudal, Jr., J.H. Childers, G. P. Woodard, D. K. McRae, S. Q. Carter, E.T. Walters, G. C. Stuckey, T. N. Alexander, C.T. Golden, James Kufeldt, T.E. Holloway, L.G. Libby, H.F. Minshew, T.H. Moss, vice presidents; R. J. Head, treasurer; W. F. Fant, controller.

Directors: James E. Davis*, chairman; A. D. Davis*, M. Austin Davis, Ben Hill Griffin, Jr., Bert L. Thomas*, Joe A. Adams*, George Smathers, M.H. Hollingsworth, G. Keith Funston, Robert D. Davis*, J. C. Pace, Jr., C. W. Waldorf.

*Executive Committee Members.

Business Activities: Operates Winn-Dixie food stores in Florida, Georgia, North Carolina, South Carolina, Alabama, Mississippi, Louisiana, Virginia, Kentucky, Tennessee, Indiana, Oklahoma and New Mexico.

Division(s):

Jacksonville Division
5050 Edgewood Court
Box B
Jacksonville, Florida 32203

Greenville Division
Wade Hampton Boulevard
P.O. Box 1088
Greenville, South Carolina 29602

Montgomery Division
1550 Jackson Ferry Road
P.O. Box 2029
Montgomery, Alabama 36103

Tampa Division
2400 E. Hillsboro Avenue
P.O. Box 440
Tampa, Florida 33601

Atlanta Division
5400 Fulton Industrial Boulevard
P.O. Box 4809
Atlanta, Georgia 20331

Raleigh Division
2201 S. Wilmington Street
P.O. Box 511
Raleigh, North Carolina 27602

Louisville Division
720 Locust Lane
P.O. Box 17121, Shelby Station
Louisville, Kentucky 40217

Miami Division
1051 S.E. 8th Street
Hialeah, P.O. Box 352
Biscayne Annex
Miami, Florida 33152

New Orleans Division
600 Edwards Avenue
P.O. Box 51509
New Orleans, Louisiana 70150

Charlotte Division
1105 Nevada Boulevard
Post Office Box 10156
Charlotte, North Carolina 28237

Orlando Division
4401 Seaboard Road
Orlando, Florida 32808

Transfer Agent(s):

Bradford Hanover Trust Company
New York, New York

Registrar and Transfer Co.
Jersey City, New Jersey

Stock Exchange(s): New York

Ticker Symbol: WIN

Number of Stores: (at fiscal year end)

1980	1,192	1977	1,151
1979	1,174	1976	1,003
1978	1,168		

Sales and Earnings

	Net Sales	Net Income
1980	$5,388,979,000	$ 91,950,000
1979	4,930,538,000	94,462,000
1978	4,444,255,000	84,014,000
1977	3,996,699,000	69,664,000
1976	3,265,916,000	62,382,000

	No. of Com. Shares †	Earn. per Share ‡
1980	23,200,000	$3.42
1979	24,937,000	3.33
1978	25,777,000	2.96
1977	25,557,000	2.46
1976	25,727,000	2.24

† Adjusted to reflect stock split.
‡ Based on common shares and common shares class B combined adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.68	–	–
1979	1.44	–	4-for-3
1978	1.26	–	–
1977	1.17	–	–
1976	1.08	–	–

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$473,872,000	$20.43
1979	470,175,000	18.85
1978	432,833,000	16.79
1977	371,931,000	14.55

‡ Adjusted to reflect stock split.

Income Account*

Year ended	6/25/80	6/27/79
Net sales	$5,388,979,000	$4,930,538,000
Other income	59,866,000	46,987,000
Total income	$5,448,845,000	$4,977,525,000
Cost of sales	4,241,259,000	3,873,448,000
Expenses	1,041,204,000	927,319,000
Interest expense	9,692,000	8,746,000
Income before taxes	$ 156,690,000	$ 168,012,000
Income taxes	64,740,000	73,550,000
Net Income	$ 91,950,000	$ 94,462,000

* Included in Costs and Expenses, Depreciation and Amortization: $76,233,000 in 1980 and $64,380,000 in 1979.

Assets

As of	6/25/80	6/27/79
Cash & marketable securities	$165,136,000	$189,719,000
Receiv., net	33,549,000	16,611,000
*Inventories	342,324,000	317,085,000
Prepaid expenses	16,380,000	16,224,000
Current Assets	$557,389,000	$539,639,000
Investments & other assets	4,519,000	7,326,000
#Fixed assets	270,116,000	235,754,000
Leased prop. under cap. leases	71,685,000	74,520,000
Total Assets	$903,709,000	$857,239,000

Liabilities

Accts. payable	$194,866,000	$161,360,000
Accruals	102,117,000	82,814,000
Cap. lease oblig., curr.	2,221,000	2,110,000
Income taxes	13,302,000	23,750,000
Curr. Liabilities	$312,506,000	$270,034,000
Cap. lease oblig.	80,672,000	82,048,000
Reserve for self-ins.	19,358,000	16,501,000
Mortgages	6,666,000	7,476,000
Inst. purchase oblig.	10,635,000	11,005,000
+ Common stock	25,586,000	26,446,000
Retained earnings	513,030,000	484,578,000
Treasury stock	(64,744,000)	(40,849,000)
Total Liabilities & Shareholders' Equity	$903,709,000	$857,239,000

* At lower of cost or market less LIFO reserve.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.91	3.41
%Net Income to Sales	1.71	1.92
%Net Income to Equity	19.40	20.09
Sales to Inventories	15.74	15.55
Working Capital	$244,883,000	$269,605,000
Current Ratio	1.78	2.00
Shareholders' Equity	$473,872,000	$470,175,000

Wolohan Lumber Co.

1740 Midland Road
Saginaw, Michigan 48603
(517) 793-4532

Officers: Richard V. Wolohan, chairman of the board & chief exec. officer; Robert Erskine, president & chief operating officer; Robert F. Anderson, exec. v.p., secretary & chief financial officer; Robert J. Sutkay v.p. & supervisor-Area I; J. Charles Wolohan, v.p. & supervisor-Area II; James B. McCullagh, v.p. & supervisor-Area III; Donald E. Erskine, v.p. & supervisor-Area IV; Robert E. Wolohan, v.p.; Thomas R. Wolohan, v.p.-merchandising; James R. Krapohl, treasurer & asst. secretary; David G. Honaman, corp. controller.

Directors: Richard V. Wolohan, Robert E. Wolohan, Robert Erskine, Calvin A. Campbell, Herman L. Schrock, Jr., Allen W. Mathis, Jr., Robert F. Anderson, K. Wade Bennett, George J. Haufler.

Business Activities: Operates a chain of building materials retail centers located in Illinois, Indiana, Michigan, Ohio, Wisconsin and Kentucky.

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan 48232

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WLHN (NASDAQ)

Number of Stores: (at fiscal year end)

1979	34
1978	30
1977	27
1976	26
1975	26

Sales and Earnings

	Net Sales	Net Income
1979	$136,557,608	$ 3,885,163
1978	133,840,533	5,142,617
1977	115,965,469	4,390,795
1976	95,914,346	3,032,637
1975	73,056,787	1,571,861

	No. of Com. Shares ‡	Earn. per Share ‡
1979	5,814,000	$0.67
1978	5,784,000	0.89
1977	5,739,000	0.77
1976	5,738,000	0.53
1975	5,738,000	0.27

‡ Based on the average number of shares outstanding adjusted to reflect stock splits and dividends.

Revenues by Line of Business

	1979	1978	1977
Dimension lumber	18.9%	2.08%	21.0%
Sheathing plywood	8.1	9.2	9.6
Other forest products	10.0	9.6	9.1
Building materials	20.0	20.0	20.0
Building hardware	4.0	3.0	3.0
Home decoration	3.7	3.8	4.2
Millwork	17.1	16.4	16.1
Home appliances	6.1	5.8	6.0
Plumbing, heating & electrical	7.3	6.6	6.7
Trusses & components	4.8	4.8	4.3
Total	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1979	$0.31	–	–
1978	0.25	50% + 50%	–
1977	0.12	–	3-for-2* & 5-for-1
1976	0.09	–	–
1975	0.05	–	–

† Adjusted to reflect stock splits and dividends.
* Declared February 10, 1978.

Common Stock Equity

	Total Equity	Equity Per Share †
1979	$ 26,498,449	$4.55
1978	24,358,560	4.20
1977	20,551,218	3.57
1976	16,826,724	2.93
1975	14,304,087	2.49

† Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$136,557,608	$133,840,533
Other income (deduction)	709,056	485,600
Total income	$137,266,664	$134,326,133
Cost of sales	105,336,652	102,969,726
Expenses	23,909,419	20,689,651
Interest expense	708,716	581,388
Other charges	106,714	47,551
Income before taxes	$ 7,205,163	$ 10,037,817
Income taxes	3,320,000	4,895,200
Net Income	$ 3,885,163	$ 5,142,617

* Included in Costs and Expenses. Depreciation: $1,265,233 in 1979 and $990,390 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 1,510,025	$ 1,140,029
Short-term paper	5,500,000	2,491,405
Trade receiv.	9,557,701	11,589,541
* Inventories	13,092,732	13,929,452
Other assets	114,364	62,107
Current Assets	$ 29,774,822	$ 29,212,534
# Fixed assets	15,315,254	12,560,964
Other assets	189,539	142,369
Total Assets	$ 45,279,615	$ 41,915,867

Liabilities

Long-term debt, curr.	$ 646,382	$ 48,936
Accts. payable	4,336,011	4,791,771
Accruals	960,394	874,453
Employee compensation	2,406,029	2,826,108
Income taxes	1,663,299	2,235,606
Curr. Liabilities	$ 10,012,115	$ 10,776,874
Long-term debt	7,998,399	6,094,781
Deferred inc. taxes	770,652	685,652
+ Common stock	5,821,109	5,801,514
Add. paid-in capital	590,163	552,362
Retained earnings	20,087,177	18,004,684
Total Liabilities & Shareholders' Equity	$ 45,279,615	$ 41,915,867

* At lower of cost (generally LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.28	7.50
%Net Income to Sales	2.85	3.84
%Net Income to Equity	14.66	21.11
Sales to Inventories	10.43	9.61
Working Capital	$ 19,762,707	$ 18,435,660
Current ratio	2.97	2.71
Shareholders' Equity	$ 26,498,449	$ 24,358,560

Woodward & Lothrop Incorporated

11th and F Streets, N.W.
Washington, D.C. 20013
(202) 347-5300

Officers: Edwin K. Hoffman, chairman of the board & chief exec. officer; David P. Mullen, president; Robert J. Mulligan, vice chairman; Arthur J. Pugh, executive v.p.-operations; Vivian S. Woods, executive v.p. & general merchandise manager; Joseph F. Gallucci, sr. v.p.-finance & treasurer; Philip A. Gragan, secretary & legal counsel; John A. Israelson, vice president-store planning and engineering; William D. McDonald, Jr., v.p.-marketing; Hans G. Pfitzner, James L. Henderson, v.p.'s-general merchandise managers; William A. Craig III, v.p.-personnel; Robert L. Kiotta, v.p.-stores; Thomas J. McGrath, v.p.-distribution & logistics; Donald R. Godfrey, v.p.-Washington Store & Central Services; Morton Siegenfeld, v.p. stores.

Directors: John T. Koehler*, Burl E. Albright, John E. Larson*, Arthur C. Cox, L. Stanley Crane*, Andrew Parker*, Karl W. Corby, Edwin K. Hoffman*, Lloyd H. Elliott, David P. Mullen, Robert J. Mulligan, A. Lothrop Luttrell, Walter E. Washington, Judith Richards Hope.

* Member of Executive Committee.

Business Activities: Operates specialty stores in the Washington, D.C. area.

Transfer Agent(s):

The Riggs National Bank
Washington, D.C.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WOOD (NASDAQ)

Number of Stores: (at fiscal year end)

1980	14
1979	14
1978	14
1977	13
1976	13

Sales and Earnings

	Net Sales	Net Income
1980	$295,181,000	$ 10,010,000
1979	271,010,000	12,194,000
1978	249,070,000	11,386,000
1977	241,389,000	11,718,000
1976	218,468,152	9,768,000

	No. of Com. Shares #	Earn. per Share †
1980	2,426,000	$4.10
1979	2,415,000	5.04
1978	2,397,000	4.72
1977	2,392,400	4.88
1976	2,382,370	4.09

Adjusted to reflect stock dividend.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$1.70	–	–
1979	1.70	–	–
1978	1.70	–	–
1977	1.40	–	–
1976	1.37	10%	–

† Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 94,078,000	$38.77
1979	88,082,000	36.47
1978	79,737,000	33.27
1977	72,411,000	30.27
1976	63,966,000	26.85

† Adjusted to reflect stock dividend.

Income Account*

Year ended	2/2/80	2/3/79
Net sales	$295,181,000	$271,010,000
Cost of sales	205,353,000	185,720,000
Expenses	64,074,000	58,345,000
Interest expense	6,859,000	5,918,000
Income before taxes	$ 18,895,000	$ 21,027,000
Income taxes	8,885,000	8,833,000
Net Income	$ 10,010,000	$ 12,194,000

* Included in Costs and Expenses, Depreciation: $8,008,000 in 1979 and $6,843,000 in 1978.

Assets

As of	2/2/80	2/3/79
Cash	$ 2,434,000	$ 3,549,000
Accts. receiv., net	73,342,000	65,192,000
*Inventories	41,804,000	45,456,000
Prepaid expenses	2,274,000	1,938,000
Current Assets	$119,854,000	$116,135,000
# Fixed assets	106,107,000	101,774,000
Other assets	925,000	853,000
Total Assets	$226,886,000	$218,762,000

Liabilities

Notes payable	$ 10,750,000	$ 9,000,000
Long-term debt, curr.	3,292,000	2,757,000
Accts. payable & accruals	29,818,000	32,487,000
Dividends payable	1,049,000	1,040,000
Income taxes	16,294,000	12,704,000
Curr. Liabilities	$ 61,203,000	$ 57,988,000
Long-term debt & cap. lease oblig.	60,363,000	63,246,000
Deferred compensation	1,950,000	1,682,000
Deferred inc. taxes	7,845,000	6,317,000
+ Preferred stock	1,447,000	1,447,000
+ + Common stock	24,264,000	24,155,000
Add. paid-in capital	5,035,000	4,959,000
Retained earnings	64,779,000	58,968,000
Total Liabilities & Shareholders' Equity	$226,886,000	$218,762,000

* At (LIFO) which is lower than market.
# Less accumulated depreciation.
+ $100 par value; 5% cumulative.
+ + $10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.40	7.76
%Net Income to Sales	3.39	4.50
%Net Income to Equity	10.48	13.62
Sales to Inventories	7.06	5.96
Working Capital	$ 58,651,000	$ 58,147,000
Current Ratio	1.96	2.00
Shareholders' Equity	$ 95,525,000	$ 89,529,000

Woodward Stores Limited

101 West Hastings Street
Vancouver, British Columbia

Officers: Charles Namby Wynn Woodward, chairman of the board & chief exec. officer; Grant Woodward MacLaren, president & chief operating officer; Marco Gandossi, sr. v.p.-finance & secretary; Frank Allan Robertson, executive v.p.-merchandising; William George Brown, v.p.-personnel & services; John Oxley Moxon, v.p.-Alberta operations; Daniel Benjamin Kennedy, asst. secretary.

Directors: Charles Namby Wynn Woodard*, chairman; Rose Bancroft, William George Brown*, Charles Reginald Clarridge, Thomas Raymond Farrell, Marco Gandossi*, William Douglas Haig Gardiner, James Norman Hyland, Harold Leslie Joy, Grant Woodward MacLaren*, Harold Robertson Martin, Stanley Albert Milner, John Oxley Moxon*, Lewis George Phipps, Frank Allan Robertson*, Aidan Robinson, Robert Arthur White, Margaret Elizabeth Southern.

* Member of the Executive Committee.

Business Activities: Owns and operates retail outlets through 22 locations in British Columbia and Alberta.

Transfer Agent(s):

Woodward Stores Limited
Vancouver, British Columbia

Montreal Trust Company
Toronto, Ontario; Montreal, Quebec; Edmonton, Alberta, Canada

Stock Exchange(s): Montreal, Toronto, Vancouver

Ticker Symbol: WDS.A

Number of Retail Outlets:

1980 23 1979 22

Sales and Earnings

	Net Sales†	Net Income × +
1980	$887,543,335	$ 19,400,183
1979	779,978,339	15,269,286
1978	707,021,959	12,102,766
1977	653,461,110	7,443,417
1976	596,058,036	11,781,322

	No. of Com. Shares	Earn. per Share‡ × +
1980	12,080,992	$2.86
1979	13,008,481	2.34
1978	6,534,330	1.85

† Including service charges.
× Excluding extraordinary items in 1978 and 1977.
+ Restated to reflect capitalization of leases
‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.94	–	–
1979	0.73	–	–
1978	0.73	–	–
1977	0.73	–	–
1976	0.73	–	–

Common Stock Equity †

	Total Equity	Equity Per Share
1980	$146,753,966	$12.15
1979	125,333,129	9.63
1978	114,371,931	17.50

‡ Restated to reflect capitalization of leases.

Income Account

Year ended	1/26/80	1/27/79‡
Net sales	$887,543,335	$779,978,339
Other income	12,179,334	11,373,254
Total	$899,722,669	$791,351,593
Cost of goods sold	655,488,211	581,172,402
General expenses	180,421,586	155,745,105
Profit sharing & retirement fund	9,653,643	6,989,980
Depreciation	7,816,806	6,989,128
Interest expense	14,017,233	14,470,686
Other interest	414,031	858,972
Oper. profit	$ 31,911,159	$ 25,125,320
Other income	856,024	537,966
Income before taxes	$ 32,767,183	$ 25,663,286
Income taxes	13,367,000	10,394,000
Net Income	$ 19,400,183	$ 15,269,286

‡ Restated to reflect capitalization of leases.

Assets

As of	1/26/80	1/27/79‡
Cash	$ 15,461,957	$ 12,679,895
Marketable securities	1,383,421	1,410,546
Accts. receiv., net	71,976,256	61,775,575
*Inventories	119,027,930	106,636,260
Prepaid expenses	2,672,601	2,178,459
Current Assets	$210,522,165	$184,680,735
Investments	2,184,159	1,928,135
# Fixed assets	133,714,268	131,066,597
Assets under cap. leases	10,725,528	5,310,021
Other assets	1,601,228	1,841,758
Total Assets	$358,747,348	$324,827,246

Liabilities

Notes payable	$ 468,000	$ 330,000
Long-term debt, curr.	582,113	1,361,000
Cap. lease oblig., curr.	318,000	7,400
Accts. payable & accruals	56,255,076	49,781,065
Income taxes	9,609,983	2,407,961
Bank indebtedness	5,195,068	2,258,521
Curr. Liabilities	$ 72,428,240	$ 56,145,947
Long-term debt	124,888,412	137,463,526
Cap. lease oblig.	10,416,804	5,289,400
Minority interest	224,426	204,744
Deferred inc. taxes	4,035,500	390,500
+ Common Stock:		
Class A	21,046,151	12,606,946
Class B	1,146,829	1,185,034
Class C	3,827,595	3,827,595

Class D	5,103,462	6,451,001
Contributed Surplus	4,595,953	4,595,953
Retained earnings	109,566,177	95,198,801
Unrealized gains	1,467,799	1,467,799
Total Liabilities & Shareholders' Equity	$358,747,348	$324,827,246

‡ Restated to reflect capitalization of leases.
* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.69	3.29
%Net Income to Sales	2.19	1.96
%Net Income to Equity	13.22	12.18
Sales to Inventories	7.46	7.31
Working Capital	$138,093,925	$128,534,788
Current Ratio	2.91	3.29
Shareholders' Equity	$146,753,966	$125,333,129

F.W. Woolworth Co.

Woolworth Building
233 Broadway
New York, New York 10007
(212) 553-2000

Officers: Edward F. Gibbons, chairman of the board and chief executive officer; John W. Lynn, vice chairman of the board; Richard L. Anderson, president & chief operating officer; John L. Sullivan, sr. exec. v.p.; George W. Nelson, exec. v.p.; Ellis W. Smith, exec. v.p.-finance; Arnold S. Anderson, sr. v.p. & general counsel; Lester D. Hewell, sr. v.p.-store operations & administration; Charles L. Kline sr. v.p.; John P. Long, sr. v.p.-corp. personnel; Harold E. Sells, sr. v.p.-corp. development; vice presidents: Harry E. Moedinger-international, Louis W. Paynter-restaurant operations, William G. Baker, Jr.-expense & security, Ernest W. Kauffman-sales promotion and advertising, Roy L. Garofalo-investor relations, Herbert H. Eames, Jr.-controller, Richard L. Branum-mngmnt. info. systems, Joseph F. Carroll-public affairs, Jerrold M. Evans-merchandising, Alan J. Lipner-taxation, Fred W. Manning-store development, Jack R. McNutt-personnel, Robert C. Heller-secretary & asst. treasurer, James F. Welch-general auditor, Harold R. Hiser, Jr.-treasurer; John W. Largen, asst. v.p.-distribution; Aubrey C. Lewis, asst. v.p.-corporate adm. services; Jacqueline D. Delafuente, asst. v.p.-law dept.; James J. O'Neil, asst. v.p.-taxation; Sylvester A. Touhy, asst. v.p.-merchandising; Richard C. Luy, George W. Ramsey, Edward G. Cahill, Edward J. O'Brien, Robert G. Zimmermann, asst. treasurers; Jacqueline D. Delafuente, Stanley A. Harmon, S. William Manteria, Robert G. Zimmermann, James J. O'Neil, asst. secretaries; Raymond W. Paulsen, Richard D. Young, asst. controllers.

Directors: Edward F. Gibbons*, chairman, Lester A. Burcham, Fred Kirby, II, Seymour H. Knox III*, John L. Gushman, George H. Lesch, John W. Lynn*, Andrew F. Peck*, Ellis W. Smith*, Gordon T. Wallis, George W. Nelson*, George F. James, Margaret P. MacKimm, John L. Sullivan*, Richard L. Anderson*

* Member of Executive Committee.

Business Activities: Operates a chain of variety stores throughout the United States and in Mexico, Canada, Australia, Ireland, the Caribbean Islands, West Germany, Puerto Rico, England and Spain. Also operates 312 Woolco Department Stores in 36 states, a men's wear chain of 298 stores, under the name of The Richman Brothers Company or Anderson-Little, the 1,747 Kinney Shoe Stores and leased departments in the United States, Canada and Australia under the names Kinney, Lewis, Williams, Mankind, Foot Locker, Fredelle, and Susie's Casuals. Also operates 8 J. Brannam stores, engaged in the sale of brand name clothing, shoes and household linens.

Division(s):

Woolco Department Stores

Subsidiaries:

F.W. Woolworth Co., Limited, Canada
F.W. Woolworth Co., G.m.b.H., Germany
F.W. Woolworth Co., S.A. de C.V., Mexico
Kinney Shoe Corporation
New York, New York
Woolworth Espanola, S.A.
F.W. Woolworth and Co., Limited,
England (52.7% owned)
The Richman Brothers Company
Cleveland, Ohio

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific, Boston, Cincinnati, Philadelphia

Ticker Symbol: Z

Number of Stores: (at fiscal year end)

1979	6,040	1976	4,151
1978	4,416	1975	4,043
1977	4,264		

Sales and Earnings

	Net Sales ‡	Net Income ‡
1979	$ 6,785,000	$ 180,000
1978	6,102,800	130,300
1977	5,534,500	85,500
1976	5,152,200	108,100
1975	4,650,300	101,200

	No. of Com. Shares †	Earn. per Share †
1979	29,400,000	$6.02
1978	29,200,000	4.34
1977	29,100,000	2.81
1976	28,800,000	3.61
1975	28,600,000	3.40

‡ Includes sales of leased departments.
† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$1.60	—	—
1978	1.40	—	—
1977	1.40	—	—
1976	1.25	—	—
1975	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$1,244,000,000	$41.96
1978	1,098,700,000	37.72
1977	1,013,600,000	34.81
1976	970,500,000	33.47
1975	899,000,000	31.29

Income Account
(000's)

Year ended Jan. 31	1980	1979
Net sales	$ 6,785,000	$ 6,102,800
Other income	20,000	14,300
Total income	$ 6,805,000	$ 6,117,100
Cost of sales	4,774,000	4,268,500
Expenses	1,643,000	1,483,800
Depreciation & amortization	83,000	77,300
Interest expense	78,000	59,900
Income before taxes	$ 227,000	$ 227,600
Income taxes	105,000	122,700
Minority interest	(58,000)	(25,400)
Net Income	$ 180,000	$ 130,300

Assets
(000's)

As of Jan. 31	1980	1979
Cash	$ 10,000	$ 17,500
Time deposits	15,000	35,700
Accts. receiv., net	10,000	13,800
*Inventories	1,391,000	1,244,800
Other assets	130,000	117,200
Current Assets	$ 1,556,000	$ 1,429,000
Investments	239,000	200,300
#Fixed assets	788,000	748,900
Leased prop. under cap. leases	312,000	295,200
Other assets	32,000	34,100
Total Assets	$ 2,927,000	$ 2,707,500

Liabilities
(000's)

Notes payable	$ 39,000	$ 4,400
Long-term debt, curr.	14,000	9,300
Accts. payable	428,000	374,500
Accruals	211,000	202,900
Dividends payable	13,000	11,200
Income taxes	71,000	75,900
Oblig. under cap. leases curr.	24,000	22,000
Curr. Liabilities	$ 800,000	$ 700,200
Long-term debt	388,000	410,100
Other liabilities	41,000	44,300
Oblig. under cap. leases	28,000	22,600
Defer. income taxes	369,000	353,500
+ Preferred stock	6,000	8,200
+ + Common stock	100,000	97,900
Add. paid-in capital	—	300
Retained earnings	1,204,000	1,075,900
Treasury stock	(9,000)	(5,500)
Total Liabilities & Shareholders' Equity	$ 2,927,000	$ 2,707,500

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value. $2.20 Series A. convertible.
+ + $3-⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	3.35	3.73
%Net Income to Sales	2.65	2.14
%Net Income to Equity	13.84	11.07
Working Capital	$ 756,000,000	$ 728,800,000
Current Ratio	1.95	2.04
Shareholders' Equity	$1,301,000,000	$1,176,800,000

The Wurlitzer Company

403 East Gurler Road
DeKalb, Illinois 60115
(815) 756-2771

Officers: W.N. Herleman, chairman of the board, president and chief executive officer; W.A. Rolfing, exec. v.p.; J.P. Davis, v.p.-mgr.-Corinth Div.; Harold O. Schwartz, v.p.-corp. engineering & research; Fred P. Youssi, vice president-mgr.-Logan Div.; Ago Koerv, v.p.-finance; Wallace R. Borgeson, v.p. & controller; Robert P. Dent, v.p.-mgr.-Holly Springs Div.; James M. Graham, v.p.-nat'l sales mgr., consumer products; Wilhelm P. Foelkel, v.p.-mgr.-Deutshe Wurlitzer GmbH; Gary B. Hurt, secretary & counsel; R.W. Donaldson, treasurer.

Directors: W.N. Herleman, J.M. Hutton III, W.A. Rolfing, R.C. Liddon, A.D. Arsem, A. Koerv, Marjorie B. King.

Business Activities: Manufactures pianos, electronic pianos, electronic organ, and related educational products and coin operated phonographs and cigarette vendors. Operates a chain of 44 retail music stores in 12 metropolitan areas.

Division(s):

Corinth, Mississippi
Manufactures electronic organs.

Holly Springs, Mississippi
Manufactures pianos and piano keys and actions.

Logan, Utah
Manufactures electronic organs, pianos and electronic pianos.

Foreign Subsidiaries:

Deutsche Wurlitzer GmbH
Hullhorst, Germany

Wurlitzer Limited
Knutsford, Cheshire, England

Wurlitzer Canada Limited
Toronto, Ontario, Canada

Wurlitzer Australia Pty. Ltd.
Taren Point, New South Wales, Australia

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza, 14th floor
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: WUR

Number of Stores: (at fiscal year end)

1980	43	1977	44
1979	44	1976	47
1978	52		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 95,218,000	$ 59,000
1979	98,231,000	2,583,000
1978	96,229,868	3,269,306
1977	83,441,205	3,095,904
1976	76,416,874	2,014,567

	No. of Com. Shares †	Earn. per Share ‡ #
1980	1,785,887	$0.03
1979	1,770,617	$1.45
1978	1,761,000	1.82
1977	1,774,000	1.71
1976	1,758,000	1.11

‡ Including extraordinary credits of $520,000 ($0.29 per share) in 1977 and $568,000 ($0.31 per share) in 1976.
# Based on the average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.36	—	—
1979	0.48	—	—
1978	0.40	—	—
1977	0.20	—	3-for-2†
1976	0.07	—	—

† In the form of a 50% stock dividend.
‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per share †
1980	$ 34,231,000	$19.10
1979	34,755,000	19.63
1978	32,843,191	18.65
1977	30,547,570	17.22
1976	27,923,652	15.89

† Adjusted to reflect stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 95,218,000	$ 98,231,000
Cost of sales	66,441,000	65,353,000
Expenses	27,765,000	27,221,000
Interest expense	3,043,000	2,359,000
Other income	(2,034,000)	(1,834,000)
Emp. sav. & profit sharing plan	100,000	547,000
Income (loss) bef. taxes	$ (97,000)	$ 4,585,000
Income taxes (credit)	(156,000)	2,002,000
Net Income	$ 59,000	$ 2,583,000

* Included in Costs and Expenses. Depreciation and Amortization: $1,699,000 in 1979 and $1,595,000 in 1978.

Assets

As of March 31	1980	1979
Cash	$ 2,179,000	$ 1,856,000
Accts. receiv., net	16,898,000	17,761,000
*Inventories	33,614,000	33,387,000
Current Assets	$ 52,691,000	$ 53,004,000
# Fixed assets	18,395,000	18,293,000
Other assets & prepaid exp.	1,941,000	1,566,000
Total Assets	$ 73,027,000	$ 72,863,000

Liabilities

Notes payable	$ 7,853,000	$ 12,294,000
Long-term debt, curr.	1,809,000	1,514,000
Accts. payable	4,581,000	4,674,000
Accruals	4,338,000	5,079,000
Income taxes	190,000	1,191,000
Curr. Liabilities	$ 18,771,000	$ 24,752,000
Long-term debt	17,788,000	11,229,000
Other liab.	46,000	22,000
Deferred comp.	814,000	779,000
Deferred inc. taxes	1,377,000	1,326,000
+ Common stock	17,859,000	17,706,000
Retained earnings	16,372,000	17,049,000
Total Liabilities & Shareholders' Equity	$ 73,027,000	$ 72,863,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.67
%Net Income to Sales	0.06	2.63
%Net Income to Equity	0.17	7.43
Sales to Inventories	2.83	2.94
Working Capital	$ 33,920,000	$ 28,252,000
Current Ratio	2.81	2.14
Shareholders' Equity	$ 34,231,000	$ 34,755,000

Zale Corporation

Executive Offices:

3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Mailing Address:

P.O. Box 2219
Dallas, Texas 75221

Officers: Ben A. Lipshy, chairman of the board & chairman of the exec. committee; Donald Zale, vice chairman of the board & chief exec. officer; Bruce A. Lipshy, president & chief operating officer; Leo Fields, group v.p.-jewlery merchandising; Willis Cowlishaw, group v.p.-jewelry marketing; Marvin Zale, group v.p.-jewelry int'l; Donald G. Fitch, sr. v.p.-real estate & property development; Richard F. Mitchell, sr. v.p.-finance & chief financial officer; M. Wayne Majors, sr. v.p.-administration; Barry Martin, sr. v.p. Jewelry divisions; Selwyn Leeds, sr. v.p.-corp. development; William H. Pavony, v.p.-finance & treasurer; Dolph B.H. Simon, sr. v.p., general counsel & secretary; William R. Long, Jr., v.p. & controller; vice presidents: Jerry Daws, Clarence Feuer, David Gan, Jerry B. Gray, William R. Gutow, George Heald, Sr., Harry Johnson, Dean Liles, Michael F. Romaine, Thomas J. St. John, Joseph L. Shapiro, Jack Sims, Sue Zuber; Joe D. Underwood, asst. treasurer; Lawrence G. Gottfried, asst. secretary; Joe Robinson, asst. secretary; Edward A. Harris, asst. controller; Walter H. Harvey, asst. treasurer.

Directors: Leo Fields, Dean P. Guerin, Ben A. Lipshy, Lew D. Zale, James W. Aston, George Heald, Marvin Zale, Bruce A. Lipshy, Joseph L. Shapiro, A.I. Davies, G. Myrph Foote, Richard F. Mitchell, John P. Weinel, Donald Zale.

Business Activities: Operates a chain of specialty retail stores nation-wide in such areas as jewelry stores and leased jewelry departments, shoe stores and leased shoe departments, home furnishings stores, sporting goods stores, drug and sundries stores, and junior department stores. Also purchases, manufactures and wholesales jewelry; supplies military post exchanges with insignia and jewelry articles, operates insurance companies.

Division(s):

Zale International Diamond Division
450 West 33rd Street
New York, New York 10001
(212) 560-1100

Zale Store Division
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Leased Jewelry Division
3000 Diamond, Texas 75247
(214) 633-4011

Catalog Division
2000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Skillern Drug Division
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Home Furnishings Division
Karotkin Furniture Company
231 East Commerce Street
San Antonio, Texas 78205
(512) 227-6361

Sporting Goods Division
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Butler's Shoe Division
204 Brookwood Drive, N.E.
P.O. Box 4023
Atlanta, Georgia 30302
(404) 873-1311

Discount Shoe Division
P.O. Box 99
Norwood, Massachusetts 02062

Sugerman Division
395 Providence Highway
Westwood, Massachusetts 02090
(617) 329-2750

Transfer Agent(s):

Republic National Bank of Dallas
Dallas, Texas

Zale Corporation

Stock Exchange(s): New York, Pacific

Ticker Symbol: ZAL

Number of Stores: (at fiscal year end)

1980	1,845	1977	1,645
1979	1,704	1976	1,572
1978	1,680		

Sales and Earnings

	Net Sales +	Net Income
1980	$1,041,699,000	$ 54,025,000
1979	904,464,000	43,005,000
1978	790,556,000	28,353,000
1977	677,827,000	27,901,000
1976	595,802,000	32,784,156

	No. of Com. Shares #	Earn. per Share #
1980	12,001,000	$4.50
1979	13,400,000	3.21
1978	13,426,000	2.11
1977	13,357,819	2.08
1976	13,295,334	2.47

+ Of continuing operations only.
# Based on average number of common shares and common share equivalents outstanding.

Revenues by Line of Business
(000's)

	1980	1979
Jewelry	$ 692,411	$ 581,318
Footwear	136,827	123,089
Drug	148,704	126,257
General merchandise	63,757	73,800
Total	$ 1,041,699	$ 904,464

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.06	—	—
1979	0.98	—	—
1978	0.91	—	—
1977	0.86	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$354,456,000	$29.54
1979	344,371,000	25.70
1978	315,562,000	23.50
1977	299,599,000	22.43
1976	281,901,000	21.20

‡ After allowing for preferred stock at total liquidation preference.
# Based on average number of shares outstanding.

Income Account *
(000's)

Year ended March 31	1980	1979
Net sales	$ 1,041,699	$ 904,464
Cost of sales	662,359	600,856
Expenses	279,531	229,304
Interest expense	12,698	9,398
Amort. of gain on sale	(1,950)	(10,549)
Income before taxes	$ 89,061	$ 75,455
Income taxes	35,036	32,450
Net Income	$ 54,025	$ 43,005

* Included in Costs and Expenses, Depreciation and Amortization: $16,022,000 in 1980 and $14,014,000 in 1979.

Assets
(000's)

As of March 31	1980	1979
Cash	$ 13,043	$ 15,166
Accts. receiv., net	164,084	126,527
Other receiv.	5,616	35,780
* Inventories	396,235	325,947
Prepaid expenses	4,063	800
Current Assets	$ 583,041	$ 504,220
# Fixed assets	101,425	82,448
Other assets	33,536	23,198
Total Assets	$ 718,002	$ 609,866

Liabilities
(000's)

	1980	1979
Notes payable	$ 61,271	$ 36,133
Long-term debt, curr.	2,035	2,035
Accts. payable	62,243	46,090
Accruals	23,893	19,694
Accrued payroll	15,871	12,658
Dividends payable	1,823	2,217
Income taxes	58,018	42,227
Other taxes	9,575	11,958
Curr. Liabilities	$ 234,729	$ 173,012
Long-term debt	103,433	55,046
Deferred gain from sale	10,287	12,237
+ Preferred stock	503	796
+ + Common stock	9,398	8,905
+ + Class B common	4,569	4,508
Add. paid-in capital	116,226	110,498
Retained earnings	300,327	258,521
Treasury stock	(61,470)	(13,657)
Total Liabilities & Shareholders' Equity	$ 718,002	$ 609,866

* At lower of cost or market: jewelry and drug segments at LIFO, all other at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value; Series A.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.55	8.34
%Net Income to Sales	5.19	4.75
%Net Income to Equity	14.62	11.64
Sales to Inventories	2.63	2.77
Working Capital	$348,312,000	$331,208,000
Current Ratio	2.48	2.91
Shareholders' Equity	$369,553,000	$369,571,000

Zayre Corp.

Framingham, Massachusetts 01701
(617) 620-5000

Officers: Max Feldberg, honorary chairman of the board; Sumner L. Feldberg, chairman of the board; Maurice Segall, president & chief executive officer; Robert Alger, exec. v.p.-sales & operations; Malcolm L. Sherman, exec. v.p. & gen. mgr.-Zayre Stores; Ralph J. Maffei, sr. v.p.-real estate; Arthur F. Loewy, sr. v.p.-finance; John F. McGowan, sr. v.p.-store development; Lee A. Silver, sr. v.p.-personnel; Warner Strauss, sr. v.p.-distribution services; Herbert Zarkin, sr. v.p.-marketing; Peter Hollis, sr. v.p. & gen. merch. mgr.; Joseph C. Murania, sr. v.p.-sales/operations; Mervyn D. Weich, sr. v.p.-systems & technical services; Irving Lief, Karam Skaff, George Freeman, Norman Lenox, Robert Shedd, Vincent F. Botti, Edward H. Dixon, Richard Gugenheim, Irving Ritz, Stanley Berkovitz, Joseph Denaro, Eugene Twomey, Stephen C. Wener, vice presidents; Newton A. Lane, secretary.

Directors: Max Feldberg*, N. Preston Breed, Stanley H. Feldberg*, Sumner L. Feldberg*, Newton A. Lane, Milton L. Levy*, Walter J. Salmon, Burton S. Stern*, Reva Korda, John W. Hennessey, Jr., Robert F. Shapiro, Daniel Coven, Maurice Segall*.

* Member of Executive Committee.

Business Activities: Operates a chain of self-service discount department stores, under the names "Zayre" and "Shoppers' City" in 25 states; ladies' apparel specialty stores under the name "Hit or Miss"; "T.J. Maxx" family apparel stores; and discount food markets in Minnesota.

Transfer Agent(s):

State Street Bank and Trust Company
Boston, Massachusetts

Irving Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: ZY

Number of Stores: (at fiscal year end)

	Apparel Dept Stores	Specialty Stores
1980	254	—
1979	251	33
1978	252	31
1977	255	36
1976	254	34

	Fabrics Shops	Disc. Food Supermarkets	Disc. Appar. Supermarkets
1980	—	8	30
1979	32	8	19
1978	34	9	10
1977	42	10	—
1976	44	10	—

	Gasoline Stations	Ladies Apparel Stores	Disc. Toy Stores
1980	—	244	—
1979	—	210	—
1978	7	173	—
1977	95	118	—
1976	95	87	5

Sales and Earnings

	Net Sales‡ (000's)	Net Income (000's)
1979	$ 1,549,729	$ 17,133
1978	1,394,109	14,017
1977	1,261,301	10,988
1976	1,160,572	10,228
1975*	1,084,011	3,985

	No. of Com. Shares	Earn. per Share #
1979	5,082,798	$3.13
1978	5,028,420	2.57
1977	4,961,694	2.08
1976	4,927,744	1.95
1975*	4,914,667	0.78

* 53 weeks.
‡ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$156,417,000	$30.77
1978	138,795,000	27.60
1977	124,266,000	25.05

‡ After allowing for preferred stock at liquidation preference of $65 per share.

Income Account*

Year ended	1/26/80	1/27/79
Net sales	$ 1,549,729	$ 1,394,109
Cost of sales	1,188,310	1,076,658
Expenses	305,592	270,545
Interest expense	17,799	11,913
Cap. lease oblig.	7,895	8,069
Income before taxes	$ 30,133	$ 26,924
Income taxes	13,000	12,907
Net Income	$ 17,133	$ 14,017

* Included in Costs and Expenses. Depreciation and Amortization: $14,081,000 in 1979 and $12,986,000 in 1978.

Assets
(000's)

As of	1/26/80	1/27/79
Cash	$ 23,223	$ 22,977
Marketable securities	14,996	13,676
Accts. receiv., net	6,715	5,526
*Inventories	270,680	253,999
Prepaid expenses	8,470	6,224
Current Assets	$ 324,084	$ 302,402
#Fixed assets	115,784	91,069
Leased prop. under cap. leases	71,410	74,014
Other assets	5,894	3,878
Intangibles	4,880	4,880
Total Assets	$ 522,052	$ 476,243

Liabilities
(000's)

Long-term debt. curr.	$ 9,543	$ 9,249
Accts. payable	60,932	73,299
Accruals	51,343	46,403
Income taxes	10,679	10,574
Oblig. under cap. leases	5,809	5,537
Curr. Liabilities	$ 138,306	$ 145,062
Long-term debt	49,693	36,915
Equip. promissory notes	61,433	36,323
Real estate mortgages	25,810	26,913
Oblig. under cap. leases, non-curr.	84,696	87,649
Deferred inc. taxes	1,949	838
+Preferred stock	58	58
+ +Common stock	5,083	5,028
Add. paid-in capital	17,579	16,995
Retained earnings	137,445	120,462
Total Liabilities & Shareholders' Equity	$ 522,052	$ 476,243

* At lower of cost or market, using the retail method.
# Less accumulated depreciation and amortization.
+ $1 par value, Series B cumulative and convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.94	1.93
%Net Income to Sales	1.11	1.01
%Net Income to Equity	10.70	9.83
Sales to Inventories	5.73	5.49
Working Capital	$185,778,000	$157,340,000
Current Ratio	2.34	2.08
Shareholders' Equity	$160,165,000	$142,543,000

Zeller's Limited

5250 Decarie Boulevard
Montreal, Quebec, Canada H3X 3T9
(514) 487-7930

Officers: James G. Balfour, chairman of the board; John M. Levy, president & chief exec. officer; William H. Buggs,-v.p.-real estate, store expansion & food service; Thomas H. Burdon, v.p.-personnel; Hans E. Busse, v.p.-store mngmnt.; John F. Crowley, v.p.-merchandise; Michael A. Montagano, v.p.-finance; Eric S. Paul, v.p.-merchandise distribution, planning & control; Marc-Andre Filion, secretary & legal counsel; William F. Vickers, treasurer.

Directors: James G. Balfour*, Donald N. Byers*, Graham R. Dawson, R. Ross Craig*, Keith MacDonald, J. Robert Ouimet, C. Frederick Graves, John M. Levy*, Donald S. McGiverin, Peter W. Wood*, Josette D. Leman.

* Member of Executive Committee.

Business Activities: Operates a chain of department stores throughout Canada. Some stores contain food service departments, pharmacies and auto service departments.

Subsidiaries:

Fields Stores Limited
Vancouver, British Columbia, Canada
Operates 76 family clothing and junior department stores in Western Canada.

Marshall Wells Ltd.
Winnipeg, Manitoba, Canada
A major distributor of hardware in Western Canada, servicing its chain of franchised hardware stores in Northern Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

Transfer Agent(s):

National Trust Company
Montreal, Toronto, Vancouver, Winnipeg and Calgary, Canada.

Canada Permanent Trust Company
Halifax and Regina, Canada

Stock Exchange(s): Montreal, Toronto, Vancouver

Ticker Symbol: ZEL

Number of Stores: (at fiscal year end)

1979	233	1976	155
1978	227	1975	156
1977	224		

Sales and Earnings

	Net Sales	Net Income‡
1979	$735,189,000	$ 19,359,903
1978	649,149,000	16,683,000
1977	586,009,994	13,657,210
1976	407,565,894	5,832,191
1975	369,891,073	7,018,111

	No. of Com. Shares	Earn. per Share‡
1979	13,168,051	$1.47
1978	13,148,151	1.26
1977	12,765,275	1.03
1976	12,764,575	0.54
1975	12,764,575	0.54

‡ Including extraordinary gains of $281,092 ($0.02 per share) in 1979 and $2,049,675 ($0.15 per share) in 1977.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$0.30	—	—
1978	0.25	—	—
1977	0.20	—	—
1976	0.20	—	—
1975	0.29	—	—

Common Stock Equity

	Total Equity‡	Equity Per Share
1979	$105,375,151	$8.00
1978	89,806,964	6.83
1977	76,465,933	5.99
1976	64,131,062	5.02
1975	60,867,746	4.77

‡ After allowing for preferred stock at stated value.

Income Account

Year ended	1/26/80	1/27/79
Net sales	$735,188,703	$649,148,760
Cost of sales & expenses	683,002,857	606,488,085
Depreciation & amortization	6,235,394	5,157,585
Interest expense	13,450,129	8,520,764
Income before taxes	$ 32,500,323	$ 28,982,326
Income taxes	13,421,512	12,299,496
Net Income	$ 19,078,811	$ 16,682,830
Extraord. gain	281,092	—
Net Income & extraord. gain	$ 19,359,903	$ 16,682,830

Assets

As of Jan. 31	1/26/80	1/27/79
Cash	$ 1,314,909	$ 950,178
Accts. receiv., net & cust. installment	55,476,108	49,577,233
Other accts. receiv.	3,724,136	2,449,972
*Inventories	168,859,842	170,754,510
prepaid expenses & supplies	2,612,538	3,052,328
Marketable securities taxes	—	2,651,640
Current Assets	$231,987,533	$229,435,861
#Fixed assets	45,469,853	33,302,857
Total Assets	$277,457,386	$262,738,718

Liabilities

Notes payable	$ 39,000,000	$ 28,000,000
Long-term debt. curr.	464,000	1,925,000
Bank indebtedness	32,413,376	23,923,026
Accruals & other accts. payable	60,098,620	61,011,382
Sales & other taxes	4,276,441	8,698,526
Curr. Liabilities	$136,252,437	$123,557,934
Long-term debt	29,413,046	42,556,307
Deferred inc. taxes	5,253,952	5,056,913
+Preferred stock	1,162,800	1,760,600
+Common stock	7,443,434	7,324,034
Retained earnings	97,931,717	82,482,930
Total Liabilities & Shareholders' Equity	$277,457,386	$262,738,718

* At lower of cost or net realizable value.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.42	4.46
%Net Income to Sales	2.60	2.57
%Net Income to Equity	17.91	18.22
Sales to Inventories	4.35	3.80
Working Capital	$ 95,735,096	$105,877,927
Current Ratio	1.70	1.86
Shareholders' Equity	$106,537,951	$ 91,567,564

Zion's Co-operative Mercantile Institution

2200 South 900 West
Salt Lake City, Utah 84137
(801) 321-6179

Officers: N. Eldon Tanner, chairman of the board; Oakley S. Evans, president; Joseph A. Anderson, exec. v.p.; Wendell E. Adams, vice president-personnel & services; Keith C. Saunders, vice president-finance, secretary and treasurer; Milo L. Carlston, v.p.-oper.; Marjorie Beard, assistant secretary.

Zion's Co-operative Mercantile Institution

Directors: N. Eldon Tanner, Wendell E. Adams, Oakley S. Evans*, Leo M. Jacobsen*, L. Tom Perry*, Joseph A. Anderson, Rowland M. Cannon*, Spencer F. Eccles, Patricia Madsen, Marvin J. Ashton*, E. Allan Hunter, A. Blaine Huntsman, Dan S. Bushnell.

* Member of Executive Committee.

Business Activities: Operates department stores in Utah.

Transfer Agent(s):

Zion's Co-Operative Mercantile Institution
Salt Lake City, Utah 84137

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1980	6
1979	6
1978	6
1977	6
1976	5

Sales and Earnings

	Net Sales ‡	Net Income
1980	$122,310,229	$ 4,527,026
1979	108,623,588	3,899,000
1978	97,603,808	3,567,000
1977	82,008,418	2,657,000
1976	68,662,841	2,869,000

	No. of Com. Shares #	Earn. per Share †
1980	718,070	$6.31
1979	717,010	5.45
1978	714,404	5.00
1977	711,904	3.86
1976	675,462	4.25

‡ Includes other income.
# Adjusted to reflect stock dividend.
† Based on weighted average number of share outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	–	–
1979	1.15	100%	–
1978	0.975	–	–
1977	0.875	–	–
1976	0.80	–	–

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 36,177,836	$50.38
1979	32,492,692	45.32
1978	29,407,083	41.16
1977	26,509,616	37.24

+ Adjusted to reflect stock dividend.

Income Account

Year ended Jan. 31	1980	1979
Net sales & other income	$122,310,229	$108,623,588
Cost of sales	104,794,577	92,303,836
Depreciation & amortization	2,276,302	2,196,435
Prov. for employees' retirement plan	772,000	716,000
Interest expense	2,735,544	2,604,852
Lease expense	1,624,000	1,694,000
Misc. taxes	2,012,780	1,746,039
Income before taxes	$ 8,095,026	$ 7,362,426
Income taxes	3,568,000	3,463,000
Net Income	$ 4,527,026	$ 3,899,426

Assets

As of Jan. 31	1980	1979
Cash	$ 770,101	$ 1,140,322
Receiv., net	26,489,180	22,519,991
* Inventories	15,881,918	15,706,930
Prepaid expenses	185,501	123,055
Current Assets	$ 43,326,700	$ 39,490,298
# Fixed assets	36,959,421	34,863,154
Other assets	124,120	124,120
Total Assets	$ 80,410,241	$ 74,477,572

Liabilities

Notes payable	$ 3,900,000	$ 2,400,000
Long-term debt, curr.	112,833	133,920
Cap. lease oblig., curr.	684,521	615,714
Acct. payable	2,545,025	2,353,686
Accruals	4,636,221	4,347,177
Accrued payroll	1,908,798	1,579,195
Income taxes	1,327,962	1,399,537
Deferred inc. taxes	3,489,533	3,033,433
Curr. Liabilities	$ 18,604,893	$ 15,862,662
Long-term debt	5,577,456	5,690,289
Cap. lease oblig.	19,260,813	19,777,486
Deferred inc. taxes	789,243	654,843
+Common stock	14,361,400	14,340,200
Add. paid-in capital	405,246	406,644
Retained earnings	21,411,190	17,745,848
Total Liabilities & Shareholders' Equity	$ 80,410,241	$ 74,477,572

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $20 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.62	6.78
%Net Income to Sales	3.70	3.59
%Net Income to Equity	12.51	12.00
Working Capital	$ 24,721,807	$ 23,627,636
Current Ratio	2.33	2.49
Shareholders' Equity	$ 36,177,836	$ 32,492,692

Z & Z Fashions Ltd.

1804 Lincoln Boulevard
Santa Mônica, California 90401
(213) 870-2745

Officers: Marvin Zeidler, president & chairman of the board; George Powell, v.p.-sales and training; Ron Rossi, v.p.-merchandising; Marc Zeidler, secretary/treasurer.

Directors: Marvin Zeidler, Leland Zeidler, Marc Zeidler, Dan Paul, Gordon Berman.

Business Activities: Operates boot and shoe shops, and men's clothing stores, all under the name of Zeidler & Zeidler Ltd. in California & Nevada.

Subsidiary:

Zeidler & Zeidler Management, Inc.
1804 Lincoln Boulevard
Santa Monica, California 90404

Transfer Agent(s):

A. H. Walker & Co.
830 Kennecott Bldg.
Salt Lake City, Utah

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ZFSH (NASDAQ)

Number of Stores: (at fiscal year end)

1979	18
1978	15
1977	14
1976	10
1975	10

Sales and Earnings

	Net Sales	Net Income +
1979	$ 6,989,966	$ 239,461
1978	5,622,584	230,780
1977	4,158,574	168,013
1976	3,321,793	144,220
1975	2,883,833	110,171

	No. of Com. Shares ‡	Earn. per Share ‡ +
1979	604,105	$0.40
1978	580,167	0.40
1977	578,244	0.29
1976	578,244	0.25
1975	578,244	0.19

+ Including extraordinary loss of $17,118 ($0.03 per share) in 1977.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	–	–	–
1978	–	–	–
1977	–	50%	–

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 1,582,598	$2.62
1978	1,323,127	2.28
1977	1,061,722	1.84
1976	893,709	1.55
1975	749,489	1.30

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account*

Year ended Sept. 30	1979	1978
Net sales	$ 6,989,966	$ 5,622,584
Cost of sales	3,442,782	2,841,469
Expenses	3,204,896	2,441,606
Oper. profit	$ 342,288	$ 339,509
Other income	51,173	38,271
Income before taxes	$ 393,461	$ 377,780
Income taxes	154,000	147,000
Net Income	$ 239,461	$ 230,780

* Included in Costs and Expenses, Depreciation and Amortization: $92,579 in 1979 and $71,287 in 1978.

Assets

As of Sept. 30	1979	1978
Cash	$ 249,863	$ 303,524
Accts. receiv., net	32,190	24,104
*Inventories	1,654,773	1,315,819
Recoverable income taxes	39,373	38,080
Prepaid expenses	101,194	78,552
Current Assets	$ 2,077,393	$ 1,760,079
#Fixed assets	687,210	614,142
Other assets	40,878	66,263
Total Assets	$ 2,805,481	$ 2,440,484

Liabilities

Accts. payable	$ 1,045,620	$ 868,070
Compensation	74,406	61,370
Accruals	98,857	187,917
Current Liabilities	$ 1,222,883	$ 1,117,357
+Common stock	61,334	60,324
Add. paid-in capital	717,785	698,785
Retained earnings	803,479	564,018
Total Liabilities & Shareholders' Equity	$ 2,805,481	$ 2,440,484

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.63	6.72
%Net Income to Sales	3.43	4.10
%Net Income to Equity	15.13	17.44
Sales to Inventories	4.22	4.27
Working Capital	$ 854,510	$ 642,722
Current Ratio	1.70	1.58
Shareholders' Equity	$ 1,582,598	$ 1,323,127

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